

مركز ابحاث اقتصادي

FINANCIAL TIMES

There is no miracle in the Reagan boom, Page 12

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NEWS SUMMARY

GENERAL

Canberra Treasury head resigns

John Stone, permanent head of the Australian Treasury, resigned six days before the Labor Government is to announce its budget.

There have been long-standing differences between Stone and Paul Keating, the Treasurer, and it was expected that Stone would be moved to another senior government post later this year.

Stone opposed the Government's decision last December to float the Australian dollar and the removal of foreign exchange controls.

He served as Treasury head for five years, previously under the Liberal Party administration. Page 2.

Red Sea mines

Two more mines exploded in the Red Sea, as a multinational fleet prepared to clear the area of mines which have damaged at least 18 vessels in the past five weeks. Page 3.

No confidence vote

The Iranian parliament passed a vote of no confidence in five members of the country's Cabinet. Page 3.

Afghan bombing

Afghan aircraft bombed a Pakistani border village for the second time within 24 hours, killing 13 people, according to a Pakistani Foreign Ministry spokesman. Page 3.

Turkish trial

Fifty-six Turkish intellectuals, including some of the country's leading writers, went on trial accused of circulating a petition critical of the military.

Death for hijackers

Four Georgians, foiled in an attempt to hijack a Soviet aircraft to Turkey last November, were sentenced to death by a court in the Georgian capital, Tbilisi.

Ferry capsizes

Only six of an estimated 200 passengers and crew aboard an Indonesian ferry survived after the vessel capsized off the Malaysian state of Sabah.

Newspaper closed

Authorities in Namibia (South West Africa) have closed down the outspoken Windhoek Observer newspaper. Page 3.

Population growth

The U.N. population conference in Mexico City ended with a statement that from 1984 to 2000 world population was expected to increase by 1.3bn to 6.1bn.

Castle to reopen

Warsaw's royal castle is to reopen, after 13 years of rebuilding, on August 31, 45th anniversary of the Nazi invasion which led to its destruction.

U.S. accused

A West German economic research institute has accused the U.S. of using "high technology protectionism" to maintain its lead against Japan. Page 2.

Glomp protest

Poland's Catholic primates, Cardinal Josef Glomp, accused West German groups of creating discord between the two countries by support of the German minority in Poland. Page 2.

Priestley dies

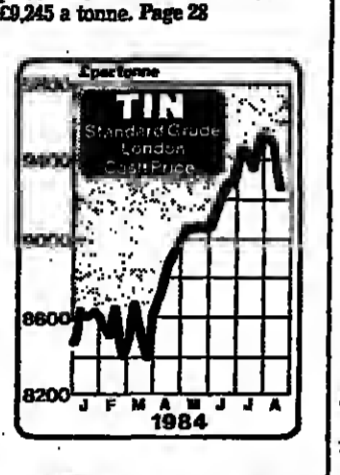
J.R. Priestley, the British author, playwright and broadcaster, died aged 89 at his home in Stratford-upon-Avon. Obituary Page 11.

BUSINESS

German rescue for co-op bank

WEST GERMAN co-operative banks, in their biggest ever rescue operation, agreed to pump DM 144m (\$49.5m) into Volksbank Oberhausen. Page 14.

TIN prices fell for the second day in London, after puzzling tactics by the International Tin Council over buffer stock. Standard-grade cash price was another £120 down at £3,245 a tonne. Page 23.



DOLLAR lost ground

DOLLAR lost ground in London to close at DM 2.8715 (DM 2.888), FFf 8.83 (FFf 8.88), and SwFr 2.4085 (SwFr 2.421) but was unchanged at ¥241.6. On Bank of England figures its trade-weighted index rose to 136.6 from 136.4. Page 29.

STERLING gained 15 points

STERLING gained 15 points against the dollar in London to £1.52. It was weaker, however, at DM 3.5 (DM 3.505), FFf 11.675 (FFf 11.71), SwFr 2.125 (SwFr 2.125) and ¥219.25 (¥219.75). Its trade-weighted index fell to 78.7 from 78.8. Page 29.

GOLD fell \$2.75

GOLD fell \$2.75 on the London bullion market to \$352.00. It was also lower in Frankfurt at \$351.00 and in Zurich at \$351.25. Page 28.

WALL STREET: By Spin the Dow Jones industrial average was 7.95 down at 1,208.16. Section II

LONDON stocks retreated on fears of a national dock strike and the FT Industrial Ordinary Index dropped 6.9 to 841.6 erasing most of the previous session's gain. Section II

TOKYO shares rallied on demand for electricals with the Nikkei-Dow market average up 80.38 to 10,441.50. Section II

VOLKSWAGEN, the West German car manufacturer, is confident of clinching a major joint venture deal with China to build a car plant in Shanghai.

SEA CONTAINERS, Bermuda-based container leasing and shipping group, reported second quarter profits of \$11.6m, compared with \$8.1m in the corresponding period last year. Page 16

GENERAL ACCIDENT, Britain's largest motor insurer, recorded a £700,000 (\$917,000) pre-tax loss for the first six months of the year. Page 14; Lex; Detail Page 17

UN International Atomic Energy Agency said nuclear power will provide 15 per cent of world electricity in 1985 despite a decline in plant construction.

Production difficulties in London may have resulted in typographical errors in unit trusts, some advertisements and elsewhere in today's edition.

Today's international edition is published in two sections, reflecting the seasonal reduction in pagination. Companies and Markets are combined in Section II.

U.S. forecast says higher growth will reduce budget gap

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

THE REAGAN Administration yesterday published an optimistic series of revised election year economic forecasts, predicting stronger economic growth for 1984 and reduced budget deficits in the years ahead.

In its mid-session budget review, the Administration said that it expects the economy to grow by 6.5 per cent year-on-year in the fourth quarter of this year, and then settle down to a steady 4 per cent annual growth rate in the next four years.

"Robust" economic growth, a downward revision of defence estimates and declining interest rates should reduce the Federal budget deficit to as little as \$139.3bn, or 2.6 per cent of gross national product (GNP), in the fiscal year 1989, the Office of Management and Budget (OMB) estimated. The figure was far lower than the \$236bn for 1989 predicted last week by the independent Congressional Budget Office (CBO).

Mr Walter Mondale, the Democratic presidential challenger, immediately accused President Reagan of rigging the estimates.

The OMB put the budget deficit for the 1984 fiscal year, which ends

on September 30, at \$174.3bn, slightly lower than its last estimate in April of \$177.8bn.

For fiscal 1985, which begins on October 1, the office said that the deficit would be \$172.4bn, or \$166.9bn if proposed deficit reduction measures still pending before Congress are enacted.

The OMB said if these measures are adopted the deficit would fall to \$163.5bn in fiscal 1986, rise to \$172.8bn in 1987, and then drop back to \$159.7bn in 1988 and \$139.3bn in 1989. Without the pending changes, the 1989 deficit would be \$181.7bn.

The report gave a clear warning, however, that longer range budget forecasts are uncertain and said that the 1989 deficit could climb as high as \$229bn if growth was slower than expected. Faster than expected growth could reduce the 1989 shortfall to as little as \$21bn, it added.

The OMB was notably more optimistic than the CBO in its estimates of growth rates, interest rates and inflation levels in the years ahead. The OMB put inflation, as measured by the GNP deflator, at 4.4 per cent for calendar 1984 (fourth quarter over fourth quarter), against 4.1 per cent for 1983. The rate would rise to 4.7 per cent in 1985, before falling gradually back to 3.5 per cent by 1988, it said.

The review forecast "a steady decline in both nominal and real interest rates," in the years ahead, with the 91-day Treasury bill rate projected to fall from 10.4 per cent at present to 6 per cent by the end of 1985 and 5 per cent by 1989. The CBO put the 1989 rate at almost 9 per cent.

The review, a month overdue, was held up by internal administration disagreements, reportedly in part at least over the future estimates of defence spending. While the Pentagon was understood to have wanted the projections to reflect its original spending requests, the final figures showed defence

Industrial production figures, Page 4

British industry gains jobs but is less competitive

By Max Wilkinson, Economics Correspondent, in London

BRITAIN'S manufacturing industry started to employ more people in the second quarter of 1984 after 8½ years of steady decline, but its competitive position appears to have slipped sharply.

In the first half of 1984, the wages and salaries paid by UK manufacturers per unit of output have been rising at an annual rate of about 4 per cent, according to official figures published yesterday.

The most recent figures from Japan and the U.S., for the first quarter, show wage costs per unit of output in manufacturing.

Country	Percentage rise in 12 months to first quarter 1984
U.S.	-3
Japan	-5
W. Germany	0
UK	4.4

Country	Hourly earnings in manufacturing industry †
U.S.	4
Japan	5.6
W. Germany	2.1
France	10
UK	9.1
Italy	13.2
Canada	6.4
Sweden	8.8
Belgium	8.1
Netherlands	0.9
Switzerland	6.1

† Annual percentage rise to latest month

put have been falling. In West Germany they have not risen.

Mr Tom King, Employment Secretary, warned yesterday that if UK costs continued to rise faster than those of its competitors the recent small gain in employment would quickly be threatened.

In June the number of people employed in British manufacturing industry rose 4,000 to 5.49m after three months in which employment fell only 2,000.

The rise of 3,000 in the second quarter was the first for 8½ years, and was described by Mr King as "an encouraging development."

Most of the new jobs have been provided in the engineering, food, drink, tobacco and office machinery sectors.

Although Mr King said it was too early to be sure that the recent declining trend had been halted, he

Continued on Page 14
Pay ceiling urged, Page 2

Delay sought in Argentine debt payment

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

A NEW DEBT payment deadline is approaching for Argentina after the Government of President Raul Alfonsín agreed to meet a \$125m payment that fell due yesterday.

At stake now is a larger, \$750m payment due to the country's commercial bank creditors on September 15. Argentine officials said yesterday they would seek to defer the payment date because the amount was too large to be drawn from the country's still fairly meagre foreign exchange reserves.

But such a request is bound to put the 11-bank advisory committee of leading creditors in serious difficulty if Argentina still has no agreement with the International Monetary Fund on an economic stabilisation programme by the time the payment falls due.

The payment - which relates to the outstanding balance of a bridging loan granted to Argentina by commercial bank creditors last year - has already been deferred several times in anticipation of an IMF agreement. Smaller creditor banks have shown an increasing reluctance to accept new payment delays.

An IMF team is to visit Buenos Aires next week for further discussions on the planned economic programme, but although the IMF says progress has been made in agreeing key policy objectives, substantial

differences remain between the two sides.

The IMF is still seeking a curb on real wages to depress Argentina's soaring 815 per cent inflation rate, but the Government wants to protect lower-paid workers from bearing the brunt of the austerity. It prefers to reduce its budget deficit by imposing tax increases on the higher paid and increasing utility charges.

Argentine officials argue that this would cause the burden to fall largely on the middle and business classes whose actions in transferring money abroad have exacerbated the country's \$43.6bn debt problem.

One indication of the size of the gap between Argentina and the IMF was the refusal of the IMF to make any clear recommendation on how the banks should respond to this week's initial request for an extension of yesterday's \$125m payment deadline. Normally creditor banks make such decisions only after guidance from the IMF.

Argentina's decision to pay the money yesterday came only after two full days of talks with leading bankers in New York, which ended at 11.15 pm on Tuesday night. Both sides were yesterday at pains to stress that the talks ended in a spirit of amicable co-operation.

FCA revised result shows \$107m loss

BY WILLIAM HALL IN NEW YORK

FINANCIAL Corporation of America (FCA), which controls the biggest savings and loan association in the U.S., has been forced to restate its earnings to show that it made a second quarter loss of \$107.5m and has reported that, as a result of a run on its deposits, it is no longer in compliance with official liquidity requirements.

FCA said yesterday that its main operating subsidiary, American Savings and Loan, was not in compliance with government liquidity regulations in July because of a savings outflow. The company does not expect to be in compliance this month and says that it expects to increase its borrowings from the Federal Home Loan Bank of San Francisco and sell some assets.

FCA announced yesterday that,

following an accounting dispute with the U.S. Securities and Exchange Commission (SEC), it had agreed to restate its 1984 figures. As a result its first-quarter net income has been reduced from \$44.2m to \$27.6m, and the second-quarter loss compares with an earlier reported \$31.1m net income.

FCA's rapid growth to recent years, to a position where it ranks in size among the top 12 banks in the U.S., has been highly controversial. The group, headed by Mr Charles Knapp, a 49-year-old farmer investment banker, has clashed with U.S. regulatory agencies before, but the latest dispute over the complex accounting treatment of FCA's investment to \$2bn

Continued on Page 14

Danish plan to eliminate current account deficit

BY HILARY BARNES IN COPENHAGEN

MR PALLE SIMONSEN, Denmark's newly-appointed Finance Minister, pledged yesterday to eliminate the country's current account deficit in three years and the budget deficit by the end of the decade.

Presenting the 1985 draft budget, Mr Simonsen said the budget deficit would be cut to Dkr 42bn (\$4bn) next year. This is half the deficit projected when the non-socialist coalition Government took power in September 1982 and started to implement its economic reform programme.

The Government has gained a tight grip on expenditure, which will rise only 2 per cent from Dkr 187bn to Dkr 191bn next year and in constant price terms will be unchanged. The fastest growing item on the expenditure side is interest payments, which will rise to Dkr 52.9bn next year from Dkr 49.3bn in 1984.

Mr Simonsen's pledge to eliminate the current account deficit by 1988 took place as the deficit again deteriorated this year, but he said although the Government was watching the situation carefully it had no plans for corrective measures.

The first half current account deficit was Dkr 10.1bn compared with Dkr 10.8bn for the whole of last year. The Government has revised its deficit forecast for the year from Dkr 12bn to Dkr 15bn. It expects a decline in the deficit of Dkr 1bn to Dkr 2bn in 1985.

Denmark's net foreign debt reached Dkr 185bn or 36 per cent of gross-domestic product (GDP) at the end of last year and will rise steeply this year because of the increase in the current account deficit and because the strong dollar will boost the value of foreign debt in krone terms.

The minority Government's 1984 Finance Bill was thrown out by the Folketing (parliament) and the Government had to call a general election before the Finance Act was carried in February.

An agreement in April this year with the Radical Party - which holds the balance between right and left in the present parliament - over the main ingredients in the 1985 budget, means the Government is unlikely to experience serious political problems with the new Finance Bill, which contains no surprise tax or expenditure proposals.

The Dkr 42bn budget deficit next year is a reduction of Dkr 45bn over 1984 and Dkr 54bn over 1983. As a percentage of GDP the deficit will fall to 7.1 per cent from 10.5 per cent in 1983 and 11.3 per cent in 1982.

Revenue next year will rise 11.7 per cent above the Finance Act figure to Dkr 149bn.

The reduction in the deficit next year is partly due to bringing forward residual 1984 income tax payments of Dkr 6bn from the spring of 1985 to the autumn of 1984. At a press conference yesterday Mr Simonsen fended off questions who suggested that next year's improvement in the budget deficit is due to slight of hand and denied that the continued reduction in the deficit in 1986 will require either new taxes or public spending cuts.

A continued high rate of economic growth will generate the necessary extra revenue, he said. The budget is based on a relatively optimistic view of growth prospects. Real GDP is projected to increase by 3 per cent to 4 per cent next year compared with 3 per cent this year. Private consumption will rise about 2½ per cent.

New chief for Goldman Sachs

BY PAUL TAYLOR IN NEW YORK

GOLDMAN SACHS, Wall Street's largest private investment banking firm, yesterday named Mr John Weinberg to become chairman as the latest in a string of recent senior management changes among the major U.S. securities houses.

The surprise announcement follows the decision of Mr John Whitehead, 62, who has shared the chairman's job with Mr Weinberg since 1976, to step aside in November, the end of Goldman Sachs' fiscal year. Mr Whitehead said the decision reflected his desire to concentrate on other outside interests.

The management change at Goldman Sachs, announced in an internal memo to staff, comes amid a period of intense activity among the major Wall Street firms. Over the last few months two other major securities firms, Merrill Lynch and

Salomon Brothers, have announced new chairmen, Lehman Brothers has been acquired by Shearson American Express and Becker Paribas announced plans to sell its investment banking business to Merrill Lynch.

Mr Weinberg, 58, yesterday stressed however, that the change at Goldman Sachs represented "an orderly transition" and emphasised that there had been no "falling out" between the two men. He said he had known about Mr Whitehead's plans to step aside for more than a year and had tried to persuade Mr Whitehead to reconsider.

Mr Weinberg added that he did not expect any basic changes in Goldman Sachs' strategy as a result of the change and added that the partnership is not planning to go public.

Goldman Sachs has grown rapidly in recent years, is highly profitable and ranks number six in terms of total capital behind the industry leaders such as Merrill Lynch, Shearson/Lehman/American Express and Salomon Brothers.

Last year the firm is thought to have earned around \$40m before taxes on revenues of nearly \$1.5bn, representing an impressive 80 per cent return on Goldman Sachs' \$502 m equity capital.

Mr Whitehead, one of Wall Street's most respected leaders and a prominent speaker, will remain a limited partner in the firm and will be chairman of its international advisory board. He is also expected to devote more time to his other interests in the non-profit sector.

Men and Matters, Page 12

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EUROPEAN NEWS

Compromise on Citroen job cuts likely in France

BY DAVID MARSH IN PARIS

THE FRENCH Government appears to be moving towards a compromise in accepting long-delayed work force cuts at the Peugeot Citroen division of the Peugeot car group...

Greece to buy Soviet equipment for army

BY TOM SEALY AND COSTIS STAMBOLIS

GREECE has become the first NATO country to buy auxiliary equipment for its army from the Soviet Union...

Consumer weekly keeps press debate alive in Poland

BY LESLIE COLITT IN WARAW

THE EDITOR of Poland's first consumers' magazine, Veto, appears to thrive on litigation. He is currently faced with legal action by the Polish dairy co-operative for alleging it to be a "hoaxer and saboteur" whose milk is of "terrible quality"...

Swedish trade surplus soars by 60%

By David Brown in Stockholm

SWEDEN'S TRADE surplus in the first seven months of this year rose by 60 per cent to SKr 16bn (£1,46bn), compared with the same period last year...

Rich extradition move

The Swiss Government says it is considering a U.S. request for the extradition of commodities trader Mr Marc Rich and his associate, Mr Pincus Green...

W. German exports to Arab markets fall 11.4% in first half

BY JONATHAN CARR IN BONN

WEST GERMAN exports to the 21 countries of the Arab world fell by 11.4 per cent to DM 12.7bn (\$4.4bn) in the first half of this year against the same period in 1983...

Moscow trade with West in surplus

BY JONATHAN CARR IN BONN

MOSCOW - The Soviet Union recorded another trade surplus with the West in the first half of this year and its industrial output rose 4.6 per cent in the January-July period...

Intellectuals go on trial over petition to Evren

By David Barchard in Ankara

THE TRIAL opened yesterday in an Ankara martial law court of 56 leading left-centre intellectuals, academics, and writers accused of using a petition to President Kenan Evren to make a political statement...

Glomp tries to calm row with West Germany

By Leslie Collett

THE HEAD of Poland's Roman Catholic Church, Cardinal Jozef Glomp, yesterday sought to calm a raging controversy between West Germany and Poland over charges by Warsaw that Bonn is seeking to annex East Germany...



Glomp: "historical pain."

UK NEWS

CBI urges companies to keep wage settlements below 5%

BY PHILIP BASSET, LABOUR CORRESPONDENT

COMPANIES ARE being urged to push pay settlement levels firmly below 5 per cent this year in the face of a hardening industrial relations climate created chiefly by the miners' strikes...

Increase in interest rates hits car sales

By John Griffiths

THERE is little chance that this year's August car sales will be anywhere near the record 374,598 registrations for the same month in 1983. Car sales in August are traditionally the highest of the year because this is the month when the new registration prefix letter - B this year - is introduced...

Union will question support for miners

BY OUR INDUSTRIAL STAFF

A SPECIAL conference of the National and Local Government Officers' Association (NALGO) will be held to discuss whether the union should continue to give financial support to striking miners. The national delegate meeting on October 10 has been called after 50 branches of the 700,000 strong union met the requirement under NALGO's rules allowing a conference to be held...

Glaxo launches drug in U.S.

BY JONATHAN CARR IN BONN

GLAXO, one of Britain's largest pharmaceutical companies, yesterday launched its anti-hypertensive drug, Tandoan, in the U.S. market. City of London analysts believe the launch on the U.S. market, worth £750m, could have a significant impact on Glaxo's U.S. profits...

Institute accuses U.S. of 'high-tech protectionism'

BY JONATHAN CARR IN BONN

A WEST GERMAN economic research institute supported by private business and industry has accused the United States of "high technology protectionism" to try to keep its lead against Japan. The Cologne-based Institute of German Economy (IW) said yesterday that the most dangerous element in the U.S. strategy was the so-called "re-export clause"...

Government optimistic about \$1bn current account surplus this year Yugoslavia shows signs of recovery

BY ALEKSANDAR LEBL IN BELGRADE AND DAVID BUCHAN IN LONDON

LESS SUCCESSFUL than the few other Communist participants at the Olympic Games, Yugoslavia now has the less than best of both worlds. Last month inflation hit a post-war annual peak, with retail prices 62.1 per cent higher than in July 1983. A Macedonian factory took the honours for the country's longest strike with a 45-day stoppage. Luckily, the situation in Yugoslavia is rarely as bad as it seems, even if, in the political arena, the Government appears to be actually worse, and is cracking down on dissent. In the economy, however, a rising incidence of minor work stoppages has not prevented a general rise in output, and the lifting of most price controls this summer has not so far led to a serious further spirals in inflation. After three years of near stagnation, industrial production in the first six months of this year topped by 2.7 per cent the level in the first half of 1983. Optimism about this is tempered by recognition that Yugoslavia has been able to import raw and intermediate material for industry under special credits granted by Western governments last year, that a long period of over-enthusiastic investment has created capacity which has lain idle until recently, and that the recovery is uneven. Shipbuilding and chemicals have led those sectors with above average results this year, but machine-building has registered a 10 per cent decline and construction is in a shambles, due to investment cuts that are part of the International Monetary Fund's deflationary programme for Yugoslavia. The upturn in production has helped exports which earn hard currency. These rose by a total of 12 per cent in dollar terms in the first six months and included a sharp 30 per cent increase to the industrialised Western market. With hard currency imports staying level, the effect has been to enhance official optimism about a \$1bn surplus on the current account this year (compared to \$270m in 1983). After earlier agreements with Western bank and govern-

ment creditors rescheduling most of this year's \$3bn debt maturities, Yugoslavia faces no serious problems in external financing for the rest of this year. Next year's debts, however, will also have to be scheduled. Ironically, one problem has been the reluctance of some Yugoslav importers to take up new Western credit because of high interest rates and new complex banking procedures. Pricing policy was the cause of heated argument between Yugoslavia and the IMF earlier this year. The two sides eventually agreed that the prices of some 55 per cent of all goods would be allowed to float freely by September - without the Government being able to delay increases for a 30-day period. September is when the Fund is due to pay out the next tranche of its 1984 loan of nearly \$400m. Time will tell whether the Government's fears about inflation in the absence of administrative controls, or the IMF's free-market approach, proves the more justified. Most of the record 62 per cent rise in consumer prices since July, 1983, obviously took place before price controls were reimposed at the turn of the year. The increase so far this year has been 23 per cent. But it may be accelerating again. Retail prices rose by 5.4 per cent and producer prices by 6.4 per cent in July compared to June this year. Tighter money policy, at the IMF's behest, has had a shabby start. Interest rates rose in July, are to rise further next month, and by April 1 next year are supposed to be one percentage point above the inflation rate. Despite the higher cost of credit, companies have still been borrowing to finance their rising inventories. So the authorities have put a stop to inventory finance, except for goods for export. A few companies have got the message and have started to sell stocks at high price discounts. Longer term issues, such as reform of company accounting or of foreign exchange distribution, are beyond the power of outside bodies like the IMF's influence, and remain for Yugoslavia alone to settle. But two years after the government of Mrs Milka Pljivic introduced its wanted long-term stabilisation programme, Yugoslav politicians are producing more hot air than concrete decision.

Table with 2 columns: YUGOSLAV EXTERNAL FINANCES (convertible currency in \$m), Jan-June 1984, Jan-June 1983. Rows: Exports, Imports, Current account, balance.

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No-confidence vote in quarter of Iran Cabinet

BY KATHY EVANS IN DUBAI

IRAN'S Cabinet, headed by Mr. Hussein Mousavi, the Prime Minister, has suffered a severe blow following a vote of no confidence in a quarter of its members by the Iranian parliament (Majlis).

The most prominent of the defeated ministers was Col. Mohammed Salimi who held the defence portfolio. The position is largely bureaucratic, because strategic defence decisions are taken by the Supreme Defence Council.

Other Ministers to be rejected by the Majlis were the Minister of Industries and Mines, Mr. Ali Akbar Paveesh, Education Minister, Mr. Hadi Muzafar (Health Minister) and Mr. Mohammed Ali Najavi, Higher Education Minister.

All five Ministers came in for bitter personal attacks. Among the charges levelled were financial mismanagement, inefficiency in negotiating contracts, and nepotism.

The charges were vigorously denied. The charges of mismanagement of contract negotiations were particularly virulent against the outgoing Defence Minister.

Observers in Tehran said that most of the Ministers concerned were conservatives, as against the more reformist line taken by other Cabinet members and the majority of Deputies of the Majlis.

Two, the Defence and Educa-

tion Ministers, were believed to be members of the Hojratid Society, an ultra-conservative religious group.

The vote of no confidence took senior Iranian leaders and diplomats by surprise. Mr. Mousavi managed to secure a vote of confidence for himself from the Majlis, though Deputies insisted on working through the list of Cabinet members on an individual basis.

It may be another month before the newly-vacant posts can be filled. The Majlis is due to recess for the holy pilgrimage season until mid-September.

Hojratism, Mr. Akbar Rafsanjani, the Majlis Speaker, was reported to have been particularly angered by the move and was said to have ordered a cut-off in the usual live transmission on radio of the parliamentary debates.

Mr. Rafsanjani said that it could be another year before the vacant portfolios are filled.

"The decision means that the Government may have lost its equilibrium. It may be difficult to find five people who satisfy all the trends represented in Iran and the Parliament," commented one observer in Tehran.

The Majlis approved the appointment of Mr. Habibollah Jafarizadeh, Rastkhari, and Mr. Kazerooni, respectively, to the previously vacant Ministries of Justice, Information and Housing.

UK mine-hunters set to begin Suez Gulf search

BY TONY WALKER AT ABADIYA NAVAL BASE, GULF OF SUZ

THERE WERE minor problems with the sonar gear of one of the ships, but the four British mine-hunters made it safely through the Suez Canal yesterday, ready to begin the search for the mystery mines in the Gulf of Suez which have threatened shipping.

The mahogany-hulled mine-hunters will traverse the waters of the Gulf of Suez to retrieve any mines they may find, for examination, so that the origin can be established and progress made towards identifying those responsible for laying them.

British troops brought in diving teams and special craft to assist the mine-hunters in their operations in the north of the Gulf of Suez.

The British mine-hunters and their support ship, the Oil Endeavour, will operate from the Abadiya naval base just south of where the Suez Canal empties into the Gulf of Suez. A British naval officer said it was planned to begin "essential work" tomorrow.

Egypt has blamed both Libya and Iran for laying the explosive devices that have hit 18 ships, damaging several.

But both Tehran and Tripoli have denied involvement and no evidence has yet been produced in public to prove the complicity of either.

A British naval spokesman stressed that British, U.S. and Egyptian forces would operate independently, but would co-ordinate efforts with committees in Cairo on which all three are represented.

It appears France's contribution to mine-clearing operations in the Red Sea will be delayed. A French mine-hunter had to be towed back through the Canal yesterday after breaking down.

The French ships were in convoy with the British.

The 420-tonne British mine-hunters—the Bostington, Kirkliston, Gavinton and Britton—are embarking on a difficult task and it is not clear how long it will take.

Egyptian mine-sweepers, with U.S. assistance, have been scouring the Gulf of Suez for several weeks.

The U.S. Sea Stallion mine-clearing helicopter on board the support ship, Shreveport, are expected to take up position with the Egyptian navy in the southern section of the Gulf of Suez today.

Israel inflation continues to break records

BY DAVID LANNON IN TEL AVIV

ISRAEL'S inflation rate continued to break records last month, despite the Government's attempts to keep prices down in the weeks before the general election.

The Central Bureau of Statistics reported yesterday that the cost-of-living index rose by 12.4 per cent in July—double the increase recorded in the same month last year.

Inflation is now running at 400 per cent on an annual basis, and there is considerable fear among economists that the inflation rate may accelerate.

It is generally agreed that urgent steps must be taken to halt the deterioration of the economy. It is very difficult for the interim government to launch any new comprehensive economic programme.

The talks on the establishment of a new Government in the wake of last month's elections are not making much progress. The indications are that it could be many weeks, if not months, before a new coalition is formed.

Talks this week between the Treasury and the Histadrut, the trade union federation, failed to produce any agreement on the measures needed to restore the economy to health.

P.S.K. ÖSTERREICHISCHE POSTSPARKASSE

Copies of the report and accounts of Österreichische Postsparkasse for the year ended 31st December, 1983 are now available and may be obtained from

Österreichische Postsparkasse, Georg-Coch-Platz, 2, A1018, Vienna, or Orion Royal Bank Limited, 1 London Wall, London EC2Y 5JX

Australian Treasury head resigns on budget eve

BY LACHLAN DRUMMOND AND COLIN CHAPMAN IN SYDNEY

MR JOHN STONE, permanent head of the Australian Treasury, yesterday announced his resignation, six days before the Labour Government brings in its budget.

Mr Stone has served in the post for five years under two separate political administrations. The announcement of his resignation, likely to take effect next month, came on his 30th anniversary with the Treasury.

Mr Stone is highly regarded for the strength of his intellect, his capacity for hard work, and the honesty of his advice—qualities which have produced occasionally stormy relations with the Fraser Liberal and Hawke Labor administrations.

It has been known for some time that Mr Stone and Labour's Treasurer, Mr Paul Keating, have had their differences, and it was expected that Mr Stone should be shifted to another senior Government



Mr John Stone

post later this year.

But, with considerable style, Mr Stone went to a budget meeting with the Treasurer,

pulled out a silver salver bearing a bottle of French champagne, and handed Mr Keating his letter of resignation. Some-what taken aback, Mr Keating drank a toast to Mr Stone's health.

The timing of the resignation has been taken by the Opposition as a sign of Mr Stone washing his hands of next Tuesday's budget.

Mr John Howard, Opposition Treasury spokesman, said he felt the resignation signified a rift between Mr Stone and the Government on budgetary policy.

"The timing could hardly be more symbolic," Mr Howard added. "For the Secretary of the Treasury to resign on the eve of the budget has to signal very clearly his fundamental dissatisfaction with the budget policy of the Government."

Economic observers believe however that Mr Stone, having

overseen the drafting work for the budget, has selected the hiatus between it being printed and the floor of Parliament as an appropriate time to resign.

The turning-point in relations between the Government and its Treasury head came in December, when Mr Stone made known publicly his strong opposition to the floating of the Australian dollar and the removal of foreign exchange controls—a stand contrary to his generally free-market approach.

Mr Stone had always staunchly defended the independence of the Treasury, and in the last budget of the Fraser administration, was cut out of full involvement after questioning the assumptions underlying the budget figures.

His assessment proved right, and the budget deficit grew alarmingly. It is generally accepted that there is a keen

irony that Mr Stone's continued tenure as Treasury head was secured only by the coming to power in March 1983 of the Labor Government under which he has now left.

The friction between Mr Stone's "inexorable logic," as one senior bank economist put it, and the policy and political demands of government, made it inevitable that the relationship would founder, particularly since he was outside Australia when preliminary budget papers were drawn up.

Mr Stone has won many admirers for his fierce independence, mordant wit, and contempt for many politicians though he is widely disliked in Canberra. On the eve of the election which brought Bob Hawke to power, he was addressing a graduation ceremony at Sydney University.

"No-one ever went broke betting on the mediocrity of politicians," he then said.

He argued the chief enemies of freedom were governments and the bureaucrats that served them, adding: "I do not say that gladly, having spent 23 years in the service of successive governments of the commonwealth."

Mr Stone's logical successor will be either Mr Bernie Fraser, or Mr Chris Higgins, two of his deputies, both in their early 40s. While sharing Mr Stone's free market views, both are seen as more flexible. Mr Ian Castles, permanent head of the Finance Ministry and a former Treasury man, is also considered to be a contender, given his additional years of experience.

Mr Stone's departure, though, is not expected to see any fundamental change in the economic policies being pursued by Mr Hawke's pragmatic Labor Government.

Gandhi urges end to Sri Lanka violence

BY JOHN ELLIOTT IN NEW DELHI

INDIA'S growing impatience and concern about the mounting violence in Sri Lanka, where over 100 people have died in the past 10 days, was emphasised yesterday when Mrs Indira Gandhi, India's Prime Minister, said the situation was "quite grave."

Speaking two days before a round-table conference on the island's ethnic problems—due to meet tomorrow—she made it clear that she wanted an urgent peaceful conclusion to the claims of the minority Tamil community.

India's coming general election is causing widespread political tensions, as disturbances showed yesterday during its annual Independence Day celebrations, and is also affecting Mrs Gandhi's stance on Sri Lanka.

Mrs Gandhi is especially anxious to increase her support in Southern India. She is coming under increasing pressure from the state of Tamil Nadu, which faces a Tamil separatist movement, to intervene directly and protect the

Tamil minority.

But for the time being at least, she is resisting this. "We do not want to interfere. We do not want to put any obstacles in the path of the unity of another country," she declared.

Mrs Gandhi made her sentiments and frustration clear when she said: "My heart is full of grief for those innocent people."

She had heard "only of reports of unpleasant incidents" instead of the internal Sri Lankan dialogue she had urged when President Junius Jayawardene of Sri Lanka visited Delhi six weeks ago.

Reiterating from Colombo: Soldiers fighting Tamil separatist guerrillas burned shops in the north-west Sri Lankan port of Mannar last Sunday, Sri Lanka's Cabinet was told yesterday. Mr Anandtissa de Alwis, the Information Minister, said there was strong suspicion that young Marxist-oriented soldiers had incited others to commit arson.

Sorry tale of China's intellectuals

BY COLINA MACDOUGALL

EIGHT YEARS after the death of Mao Tse-tung and long after pragmatic policies have supposedly been introduced, China's intellectuals are still suffering the effects of his hatred. One of the famous and influential among the "stinking ninth category" (numbers one to eight were landlords, reactionaries and such) seem to have been rehabilitated.

According to recent articles in the Chinese Press, millions of scientists, technicians, engineers and school teachers are still mouldering in dead end jobs. At the local level, hostility to experts is a key legacy of the cultural revolution.

Early this month the People's Daily published an article asking "Why is it so difficult to implement policies on intellectuals?" To this, the answer was that however much the Central Committee wished to rehabilitate educated people dismissed or restricted in the cultural revolution, powerful local officials stubbornly refuse to comply.

"The results of every policy review implementation are shocking," said the People's Daily. According to 1982

census figures published recently in the Guangming Daily, only 6m out of the 1bn Chinese has any college level education (these are "intellectuals" in the Chinese sense). Of these only 4.4m were graduates.

Only 13 per cent of workers in education are intellectuals, and in industry the ratio is worse—just 1.6 per cent. With so few trained minds available to press forward the cause of modernisation, one might expect China to be fostering those it has. But the reverse is the case.

At present, said the People's Daily, though a large number of intellectuals have been assigned to important jobs, many of them have titles and responsibilities without power. They suffer constantly from interference and cannot get on with their work. In particular, no-one listens to the views of scientific and technical officials on technical and professional matters, or even job questions.

Intellectuals find it nearly impossible to join the Communist Party, the privileged doorway to influence. Of the 106 outstanding teachers in Jiangsu province, where the

People's Daily ran a survey, only 30 were party members. Not one of the 39 class teachers at the No. 9 secondary school in Nanking was a party member.

Distrust, prejudice and envy are all targeted on intellectuals. Compounding the problem is the fear felt by local officials, said Hebei radio in July, that if they recruit intellectuals into the party they will get the blame later if the policy changes.

Poor working and living conditions and bad health for intellectuals are universal, said the People's Daily. These conditions are particularly marked among teachers. According to the paper's statistics, over 3,000 teachers in Xuzhou, Cbangzhou and Nanking (all significant towns) have housing problems, including nearly 3,000 who have nowhere to live. Teachers are bullied by local authorities. One school in Nanking retained a little of the profit from its factory (many schools in China run sideline occupations) to buy a vacuum flask and a couple of kilos of tea for the staff. The city of

ance bureau said this was illegal and deducted the amount from the teachers' pay. The bureau commented: "Soon we'll have no powers left but we can still control the teachers."

In Guangxi, a People's Daily correspondent wrote, the 1977 teachers' pay rises were held back and the funds used to build a new education bureau office at a cost of about £100,000.

While China has made the lives of many intellectuals a misery over the past 30 years, there is fierce competition among school students to get into universities. Many of these, however, are bent on finding a safe slot where they can lead a quiet life on a reasonable income.

Even if they were keen to contribute to the country's modernisation, both they and the leaders in Peking would be up against the immovable mass of conservative Leftist mid-level bureaucracy. As one Guangxi magistrate reportedly said when persecuted teachers were fleeing his county, "Let them go! The earth will go on turning and I am still an official."

Gaddafi pact a diversion says Algeria

By Francis Ghilès

ALGERIA, North Africa's most powerful country appears to have dismissed Tuesday's announcement of a union of two states pact between the Libyan leader, Col Muammar Gaddafi and Morocco's King Hassan as little more than a minor diversion from the intractable military crisis in the Western Sahara.

The Algerian state press agency Algerie Presse Service confirmed that President Chadli Bendjedid had received a phone call from King Hassan on Monday when the King met Col Gaddafi at the Moroccan/Algerian border town of Oujda.

Algerian officials point out that the likelihood of President Chadli joining such a gathering were rather remote.

Relations between Algeria and Libya have deteriorated considerably during the past two years, and the Algerian Press has recently taken Libyan policies and behaviour to task.

The rapprochement between Algeria, Tunisia and Mauritania last year angered Col Gaddafi and there have been a number of border incidents with Tunisia in recent months.

Last January, the pipeline which carries Algerian oil through Tunisia to the port of La Skhirra was blown up.

No progress towards ending the Western Saharan war which the Polisario Liberation Front, backed by Algeria, has been waging against Moroccan troops for nearly nine years is in sight.

Meanwhile, Algiers is very concerned about the security of Mauritania which King Hassan has been threatening of late: the Moroccan monarch claims that Polisario attacks are now launched from the south, rather than directly from Algerian territory.


Reuter adds from Tunis: The Libya Morocco treaty envisages a loose union under which both countries will be autonomous and retain their existing institutions. Arab diplomats said they understood that King Hassan and Col Gaddafi would consult on any foreign commitments by either country.

A permanent secretariat, alternating between the two capitals, would look after the day-to-day running of the union.


Newspaper closed

THE OUTSPOKEN independent Windhoek Observer newspaper has been closed by the South West African authorities, Jim Jones reports from Johannesburg. The banning is the culmination of a period of harassment of the newspaper. This year eight editions have been banned—two on the grounds that publication would endanger the security of the state and six for obscenity. The Observer can appeal against the decision.

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AMERICAN NEWS

David Gardner reports on the outcome of a Mexico City conference on population

Abortion becomes a policy weapon

WHAT IS the relationship between family planning and the unrestrained free market, between the arms race and abortion and between the West Bank and "supply side demographics"?

Though the amendment was subsequently withdrawn, a bipartisan Congressional group said here on Sunday that there would be further challenges if needed to protect the U.S. population aid programme.



James Buckley accused of "supply side demographics"

Moscow denounces Reagan's bomb joke

By Our Foreign Staff THE SOVIET UNION yesterday reacted to President Reagan's joke about bombing Russia with denunciations in all the main media, declaring that the remark was unprecedented in its hostility and a proof of the U.S. leader's real intentions.

Republican Right bids for ironclad pledge on taxes

REPUBLICAN Party delegates have adopted a strongly conservative draft policy platform for November's U.S. elections, including tough new language opposing any increase in taxes.

Weirton Steel plant to lay off 250 workers

BY TERRY BYLAND IN NEW YORK WEIRTON STEEL, the largest employee-owned venture in the U.S. suffered a blow to its confidence this week when the management announced that 250 of the 8,000 strong workforce would be laid off.

U.S. Nato costs set to increase

COST-SHARING programmes being negotiated by the U.S. and its European allies will substantially improve Nato defence capability but will lower U.S. costs, according to Congressional investigators.

Mexico approves energy programme

PRESIDENT Miguel de la Madrid of Mexico has approved a four-year energy programme that calls for limited resumption of an ambitious nuclear programme.

U.S. industrial output up

U.S. INDUSTRIAL production increased by a healthy 0.9 per cent last month, despite signs of slackening demand, the Federal Reserve Board reported yesterday.

Company Notices

Table with financial data for MESSINA LIMITED, including Consolidated Results (unaudited) and Operating Income for six months ended 30 June 1984.

WORLD TRADE NEWS

Australian coal sales up 17%

SYDNEY—Australia exported a record 2.2 million tonnes of coal in the year ended June 30, up 17 per cent from 1.87 million tonnes the year before, according to Government figures released yesterday.

Chewing gum contract

TECHNIP, France's leading project engineering company, has received a contract from the French subsidiary of General Foods of the U.S. to design and build a FF 140m (£12m) chewing gum factory to be located near Chateauroux in western central France.

Sri Lanka loan backed

THE Exports Credits Guarantee Department has guaranteed a £12.7m loan to help finance sugar processing equipment for Sri Lanka.

Tony Walker reports on plans to revive the war-torn economy

Lebanon tries to woo back investors

MR SAMI MAROUN is a man who has been called upon to revive the war-torn economy of Lebanon. His task is to restore the confidence of foreign investors in war-shattered Lebanon.

Coal demand 'will continue to rise'

THE demand for coal in the industrial world, which has been declining steadily in the 1960s and early 1970s, grew at an annual rate of 2.8 per cent between the two oil price shocks of 1973 and 1979.

Poles start to make tractor 10 years on...

By Leslie Collett in Warsaw MASSEY-FERGUSON Tractors were the first to be made in Poland. In part, in Poland have gone into modest series production at the Ursus tractor factory in Warsaw.

Clubs, Art Galleries, and PRIVATE BUILDING COMPANY advertisements.

Advertisements for Sri Lanka loan backed and Coal demand 'will continue to rise'.

Advertisements for Poles start to make tractor 10 years on... and a line graph showing COMPOUND PER YEAR for STEAM & OTHER and METALLURGICAL.

MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Advertising

How HMS got the thumbs-up

British Rail has split its account between three agencies. Feona McEwan reports

TO WIN ONE of the year's most coveted accounts is a coup for any agency. But for Walter Thompson and Hedger Mitchell Startz, two of the three agencies which last week landed the British Rail corporate and passenger account, victory was doubly worthy of celebration.



Dick Hedger of Hedger Mitchell Startz. "There's no part of the rail system we didn't visit."

For TWT, which gets the lion's share, £5m—its biggest single new contract for 15 years—it was also sweet revenge for its controversial loss of the prime Guinness account in 1979 to Allen Braddy Marsh. It is ABM which now loses the BR account.

For HMS, with £3m, came the thrill of pipping to the post many much larger and better known agencies. It is by far the smallest member of the trio, ranking number 55 in the campaign billings league table, and with a staff of only 40.

BR's decision to drop ABM, which gave up the contract "Age of the train" (complete with Jimmy Saville's thumbs-up) follows the breaking of its business into five sectors.

In what is a highly unusual arrangement, TWT and HMS will collaborate on improving BR's reputation at the corporate level. Boese Massimo Pollitz, the "winner of the bronze medal," as its deputy managing director puts it, in the form of a firm contract—will develop a new support operation to cover local areas and stations.

set out to convince BR that, despite its modest size, it was as able to carry out major jobs as one-off projects. It put together a tailor-made video arguing its case, on the simple and shameless lines of "why we are the best agency for you."

These were the credentials: the clients (IBM, ICI Distillers, Reed International, Nahisco, Grand Metropolitan); the media buying (independent monitor Media Andlits had judged the HMS performance highly in the particularly crowded beer market); the international connection (the tie-up with the Swiss-based GSK network with its 14 offices scattered across Europe, two of which have handled national railway accounts); the billings (£15m boosted to £40m by the GSK link); and the prizes (HMS claims to have won more awards than any other agency in town—there's the latter brought in 2,250 telephone calls on the direct response number, outstripping even Tellydies).

HMS also put forward a few home truths about consumers' views of BR. Complaints about staff rudeness and laziness underlined a basic negative attitude towards the railway—"conditioned apathy," Stark

calls it. Trains are not "top of mind" even though they are recognised as convenient, frequent and safe. The problem is that people don't love BR, but the agency suggested that if the client said the right things, this could change.

HMS then requested a meeting with BR's chairman, the one person who believes to do so. Bob Reid impressed the contingent with his single-mindedness and positive approach to making the railway more of a commercial business, and less of a state-run monopoly.

It worked. In May the hotly contested pitch narrowed the field to four, the three eventual winners plus Wight Collins Rutherford Scott (WCRS).

At this stage, it was a case of whether to pitch creatively or not. Agree to do so (and which in this case may well have cost it the account), HMS is unambiguously about these dry runs.

The client is buying an agency, not an ad, says Hedger, who prefers to get to work once the marriage is sealed "in an atmosphere of trust and confidence." But in this heated battle, HMS recognised the need to display its strongest cards.

Preparation for the two-hour presentation to 14 board members was nothing if not comprehensive. A month of thinking, analysing and researching was done before a strategy was reached and creative work could begin.

The productivity of the four teams of art directors and copywriters was startling (though familiar enough to every top agency). It must have taken several BR luggage trolleys to wheel in all the storyboards, poster mockups, commercials and research findings. The three weighty tonnes of research included a revealing account of the various field trips made by agency staff—"there's no part of the rail system we didn't visit"—complete with a critique of stations and journeys.

The division of the campaign into three agencies working together on the same account is highly unusual in Britain, but Furty is optimistic that the chemistry is right. "Rivalry with co-operation" is how one party describes it. "It keeps us on our toes," says Hedger.

IT IS NOT without pliancy that as the curtain fell on the laser-lit extravaganza of the Olympic Games' final evening, another avant of Olympian stature was unveiling its first offerings. The contrast could hardly be greater. As Los Angeles bade a lavish farewell to the athletes, Edinburgh City Council was struggling with its political conscience, and its purse-strings.

The financial aspects of the two events are vastly different. Commerce and industry are prepared to back the world's sports stars to a remarkable extent, while the arts scramble frantically to screen it for a wider audience, problems arise.

References to the company were also absent from Fleet Street reviews, yet the sports pages normally show no such reticence.

Lessened opportunity for promotion leads inevitably to a reduced enthusiasm for involvement. However, both the arts and sponsors are showing signs of learning about each other's problems. Colin Tweedy, director of Britain's Association of Arts, told an ISBA-sponsored conference earlier

Rich sport, poor arts

Arthur Sandles on business sponsorship

the experience this month. In terms of the numbers who turned up for the event it was the most successful of the Festival. But when the BBC arrived to screen it for a wider audience, problems arose.

References to the company were also absent from Fleet Street reviews, yet the sports pages normally show no such reticence.

Lessened opportunity for promotion leads inevitably to a reduced enthusiasm for involvement. However, both the arts and sponsors are showing signs of learning about each other's problems. Colin Tweedy, director of Britain's Association of Arts, told an ISBA-sponsored conference earlier

This year that since 1978 money spent on arts sponsorship in the UK had risen from £500,000 to £1.1m. In spite of the difficulties, sponsors were finding some areas extremely useful marketing weapons.

"We do believe that arts sponsorship is a cost effective way of showing that you are a caring company," Tweedy said. "It is also useful for clear target markets. In the case of young people, many go to more arts events than to sports events."

Tweedy is not blind to the problems. Sport has a mass market potential which is often denied to music or an art exhibition. But there is also a misunderstanding of timing and motives. "Companies need at least six months to a year to make decisions," says Tweedy. Sometimes arts organisers get within two months of an event before thinking about sponsorship.

Artists are worried by senior directors or executives of client companies who, instead of seeing the arts as commercially exploitable, have a pet cause they wish to support with corporate money.

"I think there is an immense amount of confusion between sponsorship and patronage," says Peter Warren of Ogilvy & Mather. "There is a legitimate place for an agency in the area of sponsorship, but my advice to my colleagues in the advertising industry is to steer clear of patronage. If a company

However, sponsorship need not be as brutal as the comparison with patronage implies. American Express, which is about to present the Vermeer and de Hooch exhibition at the Royal Academy in London, and Pearson with its pre-Raphaelite exhibition at the Tate in the Spring, are examples of the ways in which companies can be shown to be human and at the same time appeal to the very people who might buy the products, use the services or invest in stock of the groups concerned.

So the arts and business are beginning to learn to live together. Perhaps when the Press and the television companies come to understand the seriousness of that interdependence, the present friction will grow into something more lasting.

TECHNOLOGY

COMPUTER BASED PUBLISHING FOR THE 1990s AS SEEN BY A MAJOR U.S. HARDWARE MAKER

Vision of an electronic first edition

BY PETER MARSH

ATEX of the U.S., one of the leading suppliers of computerised hardware for the publishing industry, has provided a vision of how the newspapers and magazines of the 1990s may operate.

A single computer system would contain data about all the material to be printed on each page of the newspaper—graphics, pictures and advertising copy together with text.

Journalists and people from the newspaper's advertising department would insert information into the system with terminals, each comprising a keyboard and screen. Other workers would arrange the material into the correct format using their own computer hardware.

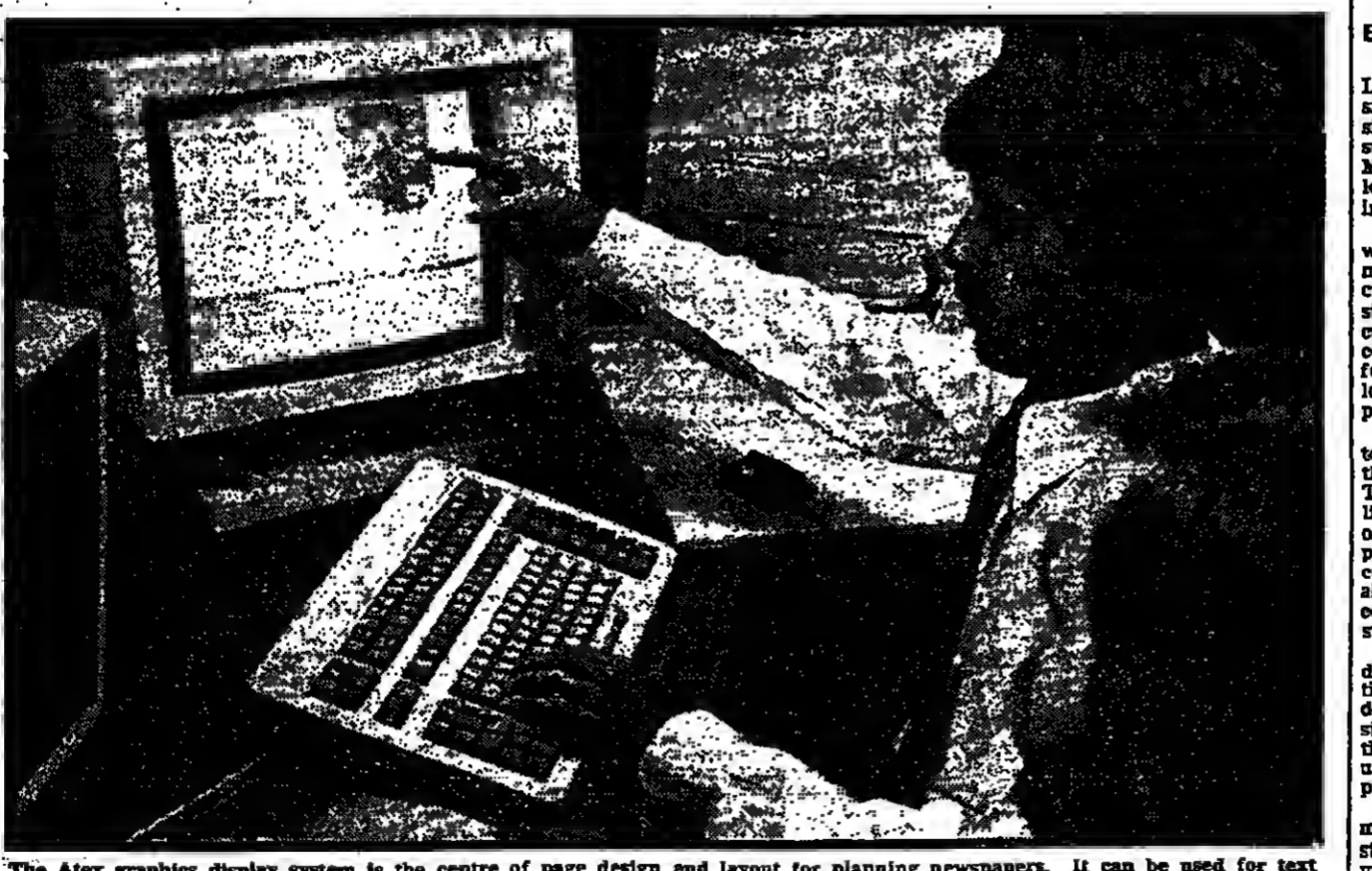
The computer system, which ATEX calls a "production node," would drive a laser machine that transmits impressions of words and illustrations directly to a photographic chemical coated on a printing plate.

After development and etching, a negative image of a page would appear on the plate, made from metal or plastic, which would then pass to the conventional printing stage.

The computer system would simplify the arrangements in even the most technically innovative of today's newspapers and magazines. In these, a computer contains data simply about text. It controls a laser that "prints" onto photographic film.

Network and other illustrations then have to be set manually alongside the film to represent how the final page will look. In a separate process, the material (combining text and illustrations) is photographed and converted into the plate to be used in printing.

ATEX wants to demonstrate the production node by the end of next year. It aims to sell systems in 1984.



The ATEX graphics display system is the centre of page design and layout for planning newspapers. It can be used for text editing as well as graphic design such as the possibilities for publishing with computer systems

and magazines that the system must be able to respond to requests for information very quickly. If, for example, a journalist wants to check, using the screen of his computer terminal, details of text already written by another reporter, he may be dissatisfied with a delay of even one second.

To produce systems that can handle both text and graphics is particularly difficult. Hardware of this kind is essential if the publishing industry is to move to machinery that in one sequence produces printing plates which contain both kinds of information.

Mr Iain Houghton, of Xenotron (a British rival to ATEX in computers for publishing), says that no newspaper or magazine in the world routinely uses hardware that makes printing plates in this way. Instead, text and artwork are transferred onto the plate in

two separate processes. Mr Houghton, whose company is in Diss, Norfolk, estimates that half a dozen publishers may occasionally produce a plate in a single process, for a demonstration or for a special series of articles. But the technology needed to turn this into a routine part of the publisher's operation has still to be developed.

ATEX, owned by Eastman Kodak and based in Boston (with a British subsidiary in Leighton Buzzard, Bedfordshire), has annual sales of about \$100m. It has sold hardware to some 380 printing and publishing companies around the world.

A large proportion of the installations comprises typesetting hardware, operated via keyboards either by journalists or printers. Some publishers have found it economic to bypass the use of print workers

to set material. Reporters type material on to a screen—other journalists, with similar terminals, put this into the format that is required for the printed page.

In the UK, ATEX has sold a couple of dozen typesetting systems. A 40-terminal system could cost anything between £250,000 and £1m, depending on the sophistication of the hardware. In all the British installations but one, the hardware is controlled by printers rather than journalists.

The exception is The Economist of London where journalists set their stories using their own computer equipment. The information is then, however, translated to paper. This is handed to a team of printers who reset the material with near-identical ATEX hardware.

In its strategy for the future, ATEX is trying to integrate this

AMT LINKS WITH LSI LOGIC

Silicon structures for custom chips

BY ELAINE WILLIAMS

LSI LOGIC, a three-year-old silicon chip company, has signed an important seven-year supply deal with Advanced Micro Devices, AMD, one of the leading electronics companies in the U.S.

AMD has agreed to co-operate with LSI Logic on the development of the latest concept in custom circuit design called silicon structures. Such circuits are usually special silicon chips which are designed for one customer in relatively low volume for a piece of proprietary equipment.

LSI Logic wants to offer customers a design facility using the idea of silicon structures. This is where companies store libraries on a large computer of the simple and complex components which make up a silicon circuit. This ranges from single transistors through to complete microprocessors stored as digits in the computer.

Stored in this form, designers can pick any combination of elements to build the desired circuit. Also it is possible to test the performance of the circuit before it is made using test simulation computer programs.

Today some companies are more advanced in their use of stores of mainly the basic elements that complex ones. For example, Zymos in California developed a silicon structures system several years ago. Inmos in the UK designed its transputer using these techniques.

Plessey and ICL are known to be working on a collaborative effort to produce their own system and Ferranti is keen to do so. Lattice Logic, a small Edinburgh company which develops the software to design custom chips, has applied for a grant from the Alvey Committee to develop programs to produce silicon structures.

Mr David Eglin, finance director of Lattice Logic, said that silicon structures would have a limited role in custom design circuits. This is because they have the disadvantage that in producing a single chip where conventional cheap, mass-produced circuits are concerned several compromises in aspects of the design, for example on the size of memory, have to be made.

One of the more popular ways of producing custom circuits fast and at relatively low cost is to use circuits which contain hundreds of standard elements by mass production techniques. All but the final interconnection layer can be made this way. The customer specifies how the elements are to be joined.

Ferranti in the UK was the first to use this technique with its uncommitted logic array or ULA. Last month PA Technology, part of PA consultancy group, announced an investment in a UK custom design facility in Cambridge. LSI Logic is also selling its services using this concept.

LSI Logic will invest up to \$50m this year in capital equipment. In December LSI Logic

invested up to U.S.\$50m this year in capital equipment.

opened its first European design centre in the UK at Bracknell. Within a year or so this will be able to assemble and test chips designed there too.

Last year LSI Logic invested \$25m in the construction of a large wafer fabrication plant in Santa Clara, California. By the summer, the first U.S. test and assembly plant will operate in Fremont, California.

LSI Logic was formed three years ago by WHIRLED Corrigan, former chairman and chief executive officer of Fairchild Camera and Instrument, Rob Walker, previously of Intel, and two ex-Synertek men, Mitchell Bohn and William O'Meara.

It presently offers custom-design circuits produced in the way of Ferranti. It has about 24 basic wafers for making various silicon chips but it sees the silicon-structures approach as the main direction for the future.

This year the company expects to have a turnover of between \$85m and \$100m of which 10 per cent is likely to be accounted for by the European market.

EDITED BY ALAN CANE

DALE GENERATING SETS



Design Image links to CAD systems

DIGITHURST of Royston, Hertfordshire, has developed software to link its Microsight TV-based imaging equipment to the Autocad computer-aided design system.

An object is placed in front of the Microsight camera and is digitised, that is, each picture element (pixel) is given a digital code which is held in a solid state store. The edges of the object are derived by subsequent electronics and the boundaries are translated into "vectors" (lines which can be drawn directly on a screen).

These vectors are in the same format as the Autocad storage file and so can be merged with existing drawings.

At the same moment, Autodesk, the originator of Autocad, has selected the PC1024 from Cambridge Computer Graphics as an optional high resolution graphics screen for the system. It was developed specifically for the IBM XT personal computer and has a 29-inch monochrome screen offering a resolution of 1024 x 780 pixels. It can draw vectors at 900,000 pixels per second and is also equipped with a full ASCII character set. Digithurst is on 02233 208926, Cambridge Computer Graphics on 0223 214444.

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JOBS COLUMN

Mystery of missing information technologists

BY MICHAEL DIXON

WHILE disturbed by British employers' complaints that there is a severe shortage of information technologists, I have a certain problem. I'm far from sure what information technologists are. What's more, inquiries over the past few days suggest that most people are in the same pickle.

The Shorter Oxford Dictionary indicates that technologists are people who apply some "practical art." In this case they presumably apply it to information. That, as it happens, is what I do. But although I'd like to, I cannot believe that the captains of industry are desperate for more Jobs Column.

The best explanation offered so far is that the shortage is of people who understand both the hardware and the software of computer systems well enough to put them to profitable uses, including the innovation of new products and services. In which case there arises another question because such people clearly have to know two different kinds of things.

On the one hand they have to know the ins and outs of computer systems. On the other they must know enough of what goes on in the industry concerned to understand where and how the systems can be usefully applied. If they are to be innovators in

particular, their industrial knowledge must be sufficient to enable them to spot the gaps in the market, which their company is capable of exploiting new products or services.

So if we are to overcome the shortage by producing more information technologists, at which end should we start? Is the industrial kind of knowledge more fundamental to doing the work well than the electronics knowledge, or is it the other way round?

The assumption evidently made by the employers who complain they are being held back by the shortage, is that the electronics knowledge must come first. The best way to provide the missing workers is therefore to take young people who have done well in the academic examinations at the end of 13 years of full-time schooling and put them through a further degree course in computer studies at a university or polytechnic, or perhaps at a special college set up by employers independently of the state education system.

But I have my doubts about that. It seems at least equally reasonable to suppose that people would be more motivated as well as better placed usefully to learn the electronics if they had first acquired an understanding of the industrial context in which the computer knowledge has to be applied.

Before the taxpayers or employers cough up for further increases in degree courses to be taken by school-leavers, it would surely be worth considering the alternative of a system of industrial apprenticeships interwoven with theoretical studies of the relevant electronics.

Trust developer

BETTER late than never, I suppose. Other avenues having proved to be dead ends, the National Trust has come to this corner of the FT seeking a chief for its commercial activities. They consist mostly of shops and a mail order business at the moment, but are seen as ripe for development in new directions.

The job is being offered because of the impending retirement of the present chief, Roy Preece, the trust's director of trading based at Westbury in Wiltshire. Since the commercial activities are being put on a rather different footing, however, the newcomer will have the title of Managing Director, National Trust Enterprises and will work from London although spending a good deal of time at the Wiltshire administrative centre.

There are about two dozen staff at the centre. In addition, the recruit's domain will include the shops at the trust's

various properties in England and Wales, which are largely opened for only part of the year, and its town shops which run the whole year round. Taken together these employ 400-500 people, mostly on a seasonal basis.

As one of seven senior executives, the incoming director will be a member of the management board. But the main task will be to find and put into effect ways of getting increased income from the trust's assets—ways, moreover, which will be accepted as in keeping with the image of such an august body.

So candidates need well developed political sensitivity as well as success as innovative general managers in business. Experience of retailing well designed products is essential, but people familiar with other aspects of trading will have an advantage.

Salary around £25,000 with car, among other benefits. Written inquiries only to Ivor Blomfield, Secretary, National Trust, 36 Queen Anne's Gate, London SW1H 9AS.

Mixed pair

HEADHUNTER Dirk Degenhart is offering an assorted pair of jobs.

The first is for a recruitment consultant in his own company. It is occupied both in adver-

tisement-based selection and executive search on behalf of would-be employers, and has associate consultants in Amsterdam, Vienna and Zurich.

Candidates should have experience in recruiting managers and high-grade specialist staff preferably for a wide range of industries, but with specific emphasis on electronics and electronics engineers and the like, presumably including information technologists, if so, besides applying to Mr Degenhart, they might like to supply this column with a precise definition of that rare breed.

Salary for the post, which requires frequent evening and weekend work, is upward of £25,000 plus bonus on results. Other benefits negotiable.

The second post, also based in London, is for the UK sales manager of the subsidiary of a multinational maker of capital equipment for medical uses. Since Dirk Degenhart may not name the company, he promises to abide by any applicant's request not to be identified to the employer at this stage. The same is promised by the other headhunter to be mentioned later.

The recruit will be responsible for increasing the volume and profitability of the £17m turnover subsidiary's sales through the field force under the regional sales manager.

Other key tasks are developing new outlets and product opportunities, and carrying through promotional exercises. Candidates need success in selling as well as managing the sales of capital goods involving electronics, preferably in the medical area.

Salary up to £27,000. Other benefits for negotiation. Inquiries to Dirk Degenhart and Partners, 4 Priory Gardens, London W4 1TT, telephone 01-994 2157 or 7620, telex 9852423 Grooms.

Finance head

A FINANCIAL director is wanted by Geoffrey King of Cambridge Executive Search for a £6m turnover British high-technology company based in the northern Home Counties. It has associated companies in Japan, Australia and South Africa.

Besides being a qualified accountant or the equivalent, the newcomer will have the commercial as well as the financial acumen to take a leading role in managing the company as it expands both geographically and in product range.

Salary up to £30,000, plus profit-share, bonus and car. Written inquiries to Mr King's new London address: 8 Queen's Gate Place, London SW7 5NU.

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Interested applicants should write to Charles Reeves ACH, Michael Page Partnership, Banking and Finance Division, 23 Southampton Place, London WC1A 2BP or telephone 01-404 5751 quoting ref. 34.13. Total confidentiality assured.



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OIL INDUSTRY

Co-ordinator Participation Operations

The British National Oil Corporation has responsibility for marketing over half the total crude oil production from the UK sector of the North Sea. The Corporation is in close contact with many aspects of North Sea operations through participation agreements and other arrangements with producers and it needs to be well informed about developments. It wishes to appoint a Co-ordinator - Participation Operations who will be responsible for its activities in this field.

The Co-ordinator will represent the Corporation in dealings with oil companies, financial institutions and the Department of Energy and will advise management and act in the Corporation's interests under takeovers, mergers, financings, transportation, terminal and other arrangements. He or she will also be responsible for the Participation Group's information services.

The successful candidate will have at least 5 years' experience in the oil industry or in law, contracts management, accountancy or engineering. Ability and self-confidence in dealing with a wide range of commercial and financial contacts is essential.

A competitive salary is offered, together with a full range of benefits including private medical insurance and an excellent pension scheme.

If your qualifications and experience match the requirements for this position send a detailed curriculum vitae to the Personnel Manager, The British National Oil Corporation, 1 Grosvenor Place, London SW1X 7HG quoting Ref. No. C/EMCA/PT or alternatively telephone 01-235 8020 ext. 254 for an application form.



The British National Oil Corporation

AITKEN HUME INTERNATIONAL PLC

SOLICITOR

Banking and Investment Management Group with offices in London, New York, Toronto and Guernsey wishes to develop its U.K. Trust Company. Applicants must be technically competent, experienced in documentation and able to communicate with clients. Excellent salary and benefits.

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Tokyo

Bond Market Specialist - Assistant Representative

Hill Samuel & Co. Limited plans to open a Representative Office in Tokyo in early 1985 and is now seeking to appoint an Assistant Representative.

The ideal candidate will be a graduate aged between 24-29, with a minimum of 2-3 years' experience in the Bond Sales and Trading area. This should include completion of a formal training programme in all aspects of Bond Market business. Exposure to business with Japanese institutions is also desirable. In addition to the above, the candidate will be expected to have a sufficiently broad approach to enable him/her to become involved in a wide range of the activities of the office.

The initial term of service in Tokyo will be for 3 years and a fully competitive expatriate remuneration package will be provided.

Please send full Curriculum Vitae to:

R. C. G. Gardner, Director of Personnel,
Hill Samuel & Co. Limited,
100 Wood Street, London EC2P 2AJ.

HILL SAMUEL & CO LIMITED

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UK Equities

Central Trustee Savings Bank Limited, part of the TSB Group, manages investment funds in excess of £4,000 million.

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Applications should be addressed in writing to the:

Departmental Head - Personnel and Training,
Central Trustee Savings Bank Limited, PO Box 99,
St Mary's Court, 100 Lower Thames Street, LONDON EC3R 6AQ



BANK

International Business Systems Review

The London based HQ of a multinational with worldwide interests in smelting, metal trading and diverse industrial activities is looking for a small team to review key financial and operating systems and procedures, as well as participate in special investigations and acquisition studies.

Applications are invited from science based graduates in the age range 25-35 who are recently qualified MBAs with previous financial or planning business experience, or who are chartered accountants with non-audit post qualification experience.

CVs with full details of education, experience, present salary and a recent photograph should be sent to the Personnel Manager, Amalgamated Metal Corporation Plc, Adelaide House, London Bridge, London EC4R 9DT.

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Top Opportunities in Financial Sales and Management

Our client is the finance subsidiary of a major clearing bank and has exciting plans to further strengthen its highly effective sales team in the field of commercial and corporate finance. Openings are mainly in the Midlands but there are opportunities elsewhere in the country.

The principal requirement is for a fully experienced sales professional with in-depth knowledge and experience in all aspects of commercial finance, particularly 'medium ticket' leasing. You should also have some sales management experience involving heading up and developing a team of financial representatives. Initially the need will be to make an immediate contribution to the company's sales performance and success, but longer term you will be required to help to develop their sales management within the Midlands and Wales.

In addition, the company has openings for experienced and capable sales persons to fill positions as financial representatives. All vacancies attract the benefits and conditions of employment that you would expect from a major company.

Confidential Reply Service: Please write with full CV quoting reference 1892/RS on your envelope, listing separately any company to whom you do not wish your details to be sent. CVs will be forwarded directly to our client, who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

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Lead in the AAA Market

As a major force in the Eurobond market, highly ranked and respected, backed by one of the world's largest banks and with established teams of traders and salesmen, this triple A international bank will now appoint two leaders at Associate Director level.

Head of Sales

A strong sales team covers the international sales of straights, FRNs and convertibles. The successful candidate will be in the forefront of this effort, take a global overview and develop specific geographical regions. Foreign travel will be necessary to service and increase the client base. Well educated, presentable and with several years experience in capital markets you must be able to lead negotiations with international clients. You should be outgoing, positive and participative.

Salary is not a barrier to either of these senior posts and the prospects of increased status are excellent in this progressive bank. If you are interested please telephone or send your CV to Derek Cox of Cripps, Sears and Associates Ltd, Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. (Tel: 01-404 5701). (Open to both male and female candidates)

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A substantial department trades approximately 140 issues as market makers. There is close cooperation with sales and syndications. The new incumbent will trade himself, increase the number of issues traded and play a crucial role in the pricing of mandates. He will take overall control of the Banks market making capability.

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Cripps, Sears

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Fielding, Newson-Smith is expanding its service to institutional investors in the electronic and electrical industries where it already has a strong research presence. We are looking to recruit someone, preferably in their early thirties, to take responsibility for this important function. Candidates should either have experience in institutional investment business or in the electronics/computing industries, but above all they should have the character, initiative and ambition to take responsibility for a major marketing development. Remuneration and prospects are commensurate with the importance of the position and applications should be sent to The Managing Partner, Fielding, Newson-Smith & Co., Gerrard House, 31 Gresham Street, London EC2V 7DX.

Careers in International Banking

The merchant banking subsidiary of a major North American bank is developing its Western Europe and Scandinavia Department. The following are new appointments:

Senior Marketing Officers

£30,000 +
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For further details please contact Trevor Williams, in complete confidence, on 01-481 3188.

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Candidates will have gained relevant credit analysis/securities department training in a major Bank. Applications will also be considered for a more junior position from ambitious candidates with a minimum of two years general banking experience.

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The expanding fully autonomous commercial dealing room has created opportunities for additional Senior Dealer/Dealer positions. Candidates will have a sound working knowledge of foreign exchange dealing and the sterling and Eurocurrency markets gained in either a bank, financial institution or in Corporate Treasury.

Contactual qualities are a prime requirement of the successful applicants who can expect a competitive package, career prospects and relocation expenses where relevant.

Write in confidence with full personal, career and salary details to The Manager, Algemene Bank Nederland N.V., 35 Waterloo Street, Birmingham B2 5TL or telephone for an application form—021 236 9681

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Candidates, probably aged 27-35 demonstrating a proven trading record, must have existing good contacts within the international coal markets and be interested to develop and expand them. Must also have gained sound knowledge of documentary aspects in particular, shipping and banking. This is a challenging opportunity for a self-motivated, mature and positive individual, reflected by a competitive remuneration.

ASSISTANT COAL TRADER

Candidates, probably aged 23-28, should have a strong academic background, with at least 2 years' experience in a competitive trading environment, preferably in an energy or shipping-related field. Your responsibilities will include world-wide scope of trading within the existing network, and assisting in the development of new client relationships. Your personal attributes should include creative energy, numeracy and strong communicative ability. The remuneration package will be attractive for those candidates with the urge to enter a position with considerable career potential.

Please write, in strictest confidence, with comprehensive C.V. to: Box AS714, Financial Times, 10 Cannon Street, London, EC4P 4BY

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We are expanding our Private Client Department and are looking for managers to join our existing professional team.

All applicants should have several years experience of managing private client funds on a discretionary or non-discretionary basis.

* Two of the positions we are seeking to fill will be of particular interest to those who are in regular telephone contact with active trading clients.

Remuneration will not be a problem for successful candidates.

Please apply in confidence to:

Peter Harrison, Phillips & Drew,
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Telephone number: 01-628 4444.

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£15,000 to £18,000 + Exc Bens.

Specialists, in Management reporting, gained within a banking, leasing or similar City Financial Institution, are sought for several City-based vacancies. Preference will be given to candidates aged c 30 years, with ACA/ACMA qualifications plus at least 2 years Management accounting systems experience, with good man management skills. Please contact Norma Given.

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We seek on behalf of our clients, major European and American banks, young dealers showing potential at this early stage of their career. Experience preferably encompassing major currency spots, interbanks, and currency swaps is ideal. Please contact Diana Warner.

Please telephone for further information, or forward a detailed curriculum vitae. All applications will be treated with strict confidence. Jonathan Wren and Co, 170 Bishopsgate, EC2M 4LX. Telephone 01-623 1266.

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- ★ Co-ordination of key financial levers in pricing.
- ★ Development of longer term strategy.

Within a two to three year period there will be personal development prospects in finance and general management in this £1,000m turnover Group.

Preference will be given to ACMA/ACCA with degree or MBA, who can demonstrate success at a senior management level within a fast-moving environment, ideally consumer goods, distribution or foods.

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£16,500 + CAR ALLOWANCE

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PROFILE REQUIREMENT

- A minimum of 3 years commercial experience with well developed skills in monthly financial reporting, budgeting, cash forecasting and meeting tight deadlines.
- Track record evidencing operating involvement with computers for the preparation of monthly financials and monitoring performance.
- Man management experience, good communication skills and an aptitude to delegate and obtain results from a small professional team.

Please write in confidence with full c.v. to JOHN PHILIP-SMITH, F.C.A.

Harrison & Willis

Chartered Accountants
39-41 Abchurch Lane
London EC4N 3SD
Tel: 01-479 4463

FINANCIAL CONTROLLER

c.£13,500 + car + benefits

Warwickshire

My client is a small, highly successful, privately owned group of six companies, turnover £1.5m, with headquarters near Rugby. The Financial Controller will report to the Managing Director and will make a major contribution to commercial strategies and sustained growth.

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For more information and an application form please telephone Tim Forte, Account Executive, Gayton Taylor Recruitment, 156 Upper New Walk, Leicester LE1 9EF. Tel: (0533) 556804.

Please quote post ref TP/43.

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Badenoch & Clark

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We are an expanding Group of Companies in the field of International Shipping and Marketing, with several offices in the UK and Europe.

Our requirement is for a qualified accountant aged 28 to 35 ideally from a professional background with commercial experience.

The person appointed will be responsible for all management and financial accounts of the group's citrus marketing activities and will be required to take a very positive role in the use and interpretation of accounting information for the guidance of company management.

The successful candidate will report to a main board director and will be expected to have the potential for further personal development.

The starting salary is negotiable in the order of £20,000 plus benefits.

Please write in full confidence giving career information to Mr M. Chavush at Traverway Holdings Ltd, 398 Seven Sisters Road, London N4 2LX.

FINANCIAL DIRECTOR

c. £20,000 + car EAST MIDLANDS

Gent Limited, a subsidiary of MK Electric Group, is a market leader manufacturing a range of fire alarm and detection equipment, clocks and call systems. Our sales turnover of electrical and electronic products currently exceeds £12 million and we employ 500 people.

Reporting to and working closely with the Managing Director, the Financial Director will take responsibility for a wide finance function which as well as financial and accounting services and the development of computerisation within the Company, also includes customer liaison activities and important corporate planning responsibilities.

Candidates, fully qualified accountants educated to degree level, aged 30-45, must have at least three years previous experience in a senior financial management role within a manufacturing environment. Preference will be given to applicants with previous corporate financial and business planning experience.

Please write with full career and salary details to Fred Shaw, Managing Director, Gent Limited, Temple Road, Leicester, LE5 4JF.

GENT

—OIL—

Exploration & Production

A number of major oil companies are currently seeking highly motivated, young graduate ACA's for such roles as:

- ★ Assistant Business Controller £14,000+
- ★ Financial Analyst up to £15,000

Offering excellent career prospects, these opportunities provide an ideal opening into this progressive and pressurised environment. For details call Jennifer Staddon.

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OF LONDON

INTERNAL AUDITOR Chartered Accountant

This is a new post created to meet the challenges of an expanding international organisation. At the same time, the position will provide a company wide perspective as a necessary platform to a more senior role in the future.

The successful candidate will be responsible to the Financial Director for audit investigations of a wide and varied nature and will also work closely with the Chief Accountant. He/she will be allocated special assignments thus ensuring in-depth knowledge of our finance and accounting systems.

We would like to talk to individuals of the very highest calibre ideally in their 30's, who are Chartered Accountants with commercial experience in a consumer goods industry. As this is a new position, rewards will be negotiable.

Write, in confidence, to the Personnel Director, Aquascutum Ltd, 100 Regent Street, London W1A 2AQ

Assistant Financial Controller

West End

c. £15,000 + car

Our client is a privately owned trading group with a substantial and growing international presence. There is a current requirement for a young financial executive to fulfill a challenging role and assist in the developments of the finance function.

Reporting to the Group Financial Controller, responsibilities will embrace all aspects of management accounting and financial reporting for the UK based service company. Some overseas travel is anticipated.

The successful candidate (aged mid 20's) will be a newly qualified accountant with a good professional background and a high level of technical expertise. A knowledge of computerised accounting techniques and general administrative duties is essential.

Applicants will be forward looking with a flexible personality and first class interpersonal skills. The potential to make a significant long term contribution to this progressive group will ensure excellent prospects for career advancement.

Candidates should write to Don Day, FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 148, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.

MP

Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

INTERNAL AUDIT WITH THOMSON

A qualified accountant is required for the internal audit department of Thomson Information Services Limited, a division of the International Thomson Organisation. Based in WC2 the job involves frequent visits to the operating companies which are based both in the U.K. and overseas. Good holidays and terms of employment. Salary around £12,500.

Please apply with detailed curriculum vitae to Noel Clery Thomson Information Services Limited, 63, Lincoln's Inn Fields, London WC2A 5JX

Accountancy Appointments

Financial Director Manufacturing Industry

East Midlands
to £25,000 + car

Our client is a successful and autonomous operating division of a multi-national chemicals group. The quality of its products has secured a sound customer base in the industrial, construction and retail sectors. Turnover is in the region of £20 million and the division has a consistent record of growth.

Based in Leicester and reporting to the Chairman, the Financial Director will have responsibility for the accounting function and for the further development of management information systems. Involvement in the overall management of the division will add to the challenge and scope of this appointment.

Candidates should be qualified accountants, probably graduates, in their 30's who have

experience of computerised systems and of managing an accounting function in an operational environment.

The total remuneration package (inclusive of bonus) is negotiable up to £25,000 plus car and benefits. Relocation assistance will be offered where appropriate.

Please send full personal and career details in confidence to Mark Birchenough, quoting reference 1352/FT on both envelope and letter.

Deloitte Haskins + Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

National Financial Controller to £25,000 + Car Account for the Accountants

Expansion of our firm's (65 partners) activities has created the need for a Financial Controller, reporting direct to the Managing Partner, to take responsibility for:

- Firmwide (11 offices) financial and management information
- Budget preparation
- Annual accounts
- Cash management

This is a new position which offers good prospects for extension of duties within the job to the right person.

The successful candidate will probably be at least 30 years old and may well be some years older, professionally qualified (though not necessarily a chartered accountant), possibly having Group experience and seeking a post initially without any people management where independence, interpretative skills, tenacity and results-orientation are key to success.



Please apply in writing with a concise cv to:
Miss Penny Alison, Director of Personnel
Robson Rhodes, 186 City Road, London EC1V 2NU

Career Opportunity in the field of high technology ...

DEVELOPMENT ACCOUNTING EXECUTIVE

London

C. £22,500 + Benefits

We have been exclusively retained by a major organisation who manufacture and supply high technology products and services.

They wish to recruit a Senior Systems Accountant, who will join a highly skilled team involved in the development of new computerised accounting systems. This is an excellent opportunity to undertake an important role in the future growth of the organisation.

Candidates for this appointment will be qualified accountants, who can clearly demonstrate a successful career to date in systems development, and have the ability to work effectively within a highly motivated team.

Written applications enclosing curriculum vitae should be forwarded, in confidence, to Richard Norman FCA or Robert N. Collier at our London address quoting reference number 4712.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2FF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-226 7744
Brook House, 77 Fountain Street
Manchester M2 2EJ. Tel: 061-236 1553.

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Recruitment Consultants



ACCOUNTANT BOOK-KEEPER

with property management experience required by busy expanding Surveyors. Good Salary—01-486 9441.

FINANCE EXECUTIVE

Central London

c. £17,000-£22,000

Our client, Grand Metropolitan, is a prestigious international group with a diverse range of interests in the food, drink, hotel and leisure industries. It has an exciting and enviable history of expansion.

A technically strong accountant is needed to reinforce the small, highly motivated Head Office finance team. The role involves a number of finance functions with a strong emphasis on the development of board level financial reporting together with the enhancement of the necessary reporting systems.

Ideally, candidates will be ambitious graduate Chartered Accountants with a minimum of 3 years post-qualification experience. As the role will involve close liaison with group companies, the successful candidate will have good communication skills and the ability to work effectively with senior management of subsidiaries. He/she will develop a long term career within the group and should have the potential to make a substantial contribution to group business.

Interested applicants should write to Catherine Harrold at our London Office enclosing a Curriculum Vitae and quoting reference no. 4716.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2FF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-226 7744
Brook House, 77 Fountain Street
Manchester M2 2EJ. Tel: 061-236 1553.

DOUGLAS LLAMBIAS
Douglas Llammbias Associates Limited
Accountancy & Management
Recruitment Consultants



A SENIOR FINANCIAL EXECUTIVE

c. £40,000 p.a. + benefits

Our client is a multi-faceted commercial organisation, the trading spectrum of which includes passenger car and commercial vehicles sales, transportation and distribution operations, industrial capital equipment sales and financial services.

The operational activities span the UK, Europe and Far East and the company is heavily involved in import/export and foreign exchange dealings.

This position requires a Chartered Accountant aged 38-45 years with a breadth of commercial and industrial experience at a senior level.

He or she will possess considerable practical knowledge of the treasury function in a commercial environment and, in addition, have experience of City institutions.

The successful applicant will, after a period of induction, be considered for an appointment to the main board.

The position is based in a pleasant south of England location and a full relocation package is available where applicable.

A salary in the region of £40,000 p.a. is envisaged (although it must be stressed that there is scope for manoeuvrability for the right person) together with a fringe benefit package commensurate with an internationally based organization.

Applicants, male or female, should apply in writing enclosing a brief but meaningful c.v. to Brian Hodges acting as advisor to the company at:

Brian Hodges Associates

MANAGEMENT CONSULTANTS - EXECUTIVE SEARCH - APPRAISAL AND TRAINING CONSULTANTS
Suite 3, 54-52 High Street, Epsom, Surrey KT19 8AJ, England.

PROSPECTIVE TAX PARTNER

We are a medium-sized firm of Holborn Chartered Accountants and are looking for a young tax manager to deal with personal and corporate work.

Candidates should ideally have trained in a small to medium-sized practice and have at least three years post-qualification tax experience in a medium to large practice.

A generous remuneration package with early partnership prospects is offered and applicants should forward a c.v. to:

Box 4801, Financial Times
10 Cannon Street, London EC4P 4BY

SENIOR MANAGER CORPORATE FINANCE to £30,000

Our client, an established and successful Merchant Bank and member of the Accepting Houses Committee, seeks a seasoned Corporate Finance specialist to contribute substantially to its continued growth. Candidates, in their late 20s or early 30s, will have spent at least three years in the corporate finance department of a major financial institution and gained experience across the spectrum of corporate finance activity.

CORPORATE FINANCE EXECUTIVES MERCHANT BANKING to £20,000

On behalf of clients, some of the City's most outstandingly successful specialists in all aspects of domestic and international Corporate Finance, we are looking for a number of above-averagely talented and ambitious, recently-qualified ACAs and Lawyers. Applicants, almost certainly graduates, should have some post-qualifying experience in an international form. A mature, creative and analytical approach is essential for these challenging positions. To arrange an informal and confidential meeting at which these opportunities can be discussed in more detail, please contact Robert Digby B.A.

Badenoch & Clark
Recruitment Consultants
16-18 New Bridge Street, London EC4V 6AU
Tel: 01-353 1867

Internal Audit

Alexander Howden are a leading International Insurance Group with extensive interest in Broking & Underwriting throughout the world.

As a result of a recent promotion we are seeking to recruit an Internal Auditor for our Group Audit Department.

The function enjoys a high level of independence and reporting within the Group, and the individual we are seeking will ideally be newly qualified, with some experience in the insurance industry.

The position will report to the Internal Audit Co-ordinator. Responsibilities will include participating in planning, regular and special examinations of the financial and management control of all elements of the business.

Applicants will be based in the City but expected to travel on a limited basis, mainly in the UK.

A competitive salary will be offered commensurate with age and experience, together with an attractive benefits package which includes free life, medical and permanent health schemes.

Please write including full c.v. to:

Mrs. C. Murphy, Howden Management & Data Services Limited, Personnel Department, 22 Billiter Street, London EC2M 2SA.

Alexander Howden Group plc

Finance Director

A significant opportunity in a fast-growing manufacturing environment.

The company we're acting for is extremely successful, with a sales turnover in excess of £48m—and growing! A self-contained subsidiary of a major British group, they have a multi-site consumer durables manufacturing operation. For obvious reasons, we can't be specific about locations or products— suffice it to say that the organisation enjoys an extensive, expanding range of varied brand names.

In brief, this post offers an ambitious, able individual the opportunity to take overall responsibility for the finance function— maintaining tight financial controls and providing prompt, reliable management information. The successful candidate will be a qualified Accountant, at least in his or her late 30's, who has broad-based high quality experience gained in an engineering manufacturing environment, ideally in consumer durables. Knowledge of computer based systems and strong analytical ability are pre-requisites, as are well developed verbal and written presentation skills. The

personality and presence to contribute fully as a member of a lively Board is paramount.

It's unlikely that the right person will currently be earning less than £17,000, and the chosen applicant can look forward to a substantial remuneration package which includes a cap performance bonus, BUPA cover and generous assistance with relocation, if necessary. If you are confident that your talents merit the rewards and prospects of this demanding role, please write enclosing a c.v. and, most important, your record of achievement, to: Confidential Reply Service, Ref:ASF050, Austin Knight Advertising Limited, London, W1A 1DS.

Applications are forwarded to the client concerned, therefore, any company in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

Finance Director (Designate)

North West

c£16,000 + car

Our client is a rapidly expanding, marketing-orientated, autonomous subsidiary of a dynamic UK group.

They seek to appoint a commercially-minded accountant, who will take total responsibility for the company's finance function, with particular emphasis on cost control, budgeting, management reporting, statutory accounting and computer systems development.

The successful applicant will be a qualified accountant (aged 28-38) who can demonstrate a solid track record of achievement to date, coupled with the ability to contribute effectively to the general management of a business.

Relocation facilities are available where appropriate and interested applicants should contact Alan Dickinson, quoting ref. 6986 on 061 228 0396 at Michael Page Partnership, Faulkner House, Faulkner Street, Manchester M1 4DY.



Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

TAX FRAUD

ACCOUNTANTS FOR KEY INVESTIGATIONS
to £17,500

The battle against fraudulent tax evasion and avoidance is being fought primarily by the Revenue's Enquiry Branch. Results are impressive, with over £350 million recovered in the last fiscal year alone.

Accountants in the Branch work alongside HM Inspectors of Taxes in the investigation of cases of serious tax fraud, including the examination of private and business records. They advise on all relevant accounting matters as well as being responsible for their own portfolio of cases. The ability to conduct difficult interviews with top level advisers is important, and candidates must be prepared to give evidence in contentious cases.

These appointments will be made at Principal level with salaries in the range £12,395-£16,655. London posts carry an additional weighting of £1250. Successful candidates will be members of the Government Accountancy Service which

provides first-class training and career development opportunities. Prospects are excellent within a structure which can lead to the very highest levels of the Civil Service.

Locations: London, Edinburgh, Bristol, Birmingham.

All candidates must be Chartered, Certified, Cost and Management or Public Finance Accountants or be eligible for admission. Post-qualification professional office experience is essential. Relocation assistance may be available.

For further details and an application form (to be returned by 31 August 1984) write to Civil Service Commission, Alencon Link, Basingsloke, Hants, RG21 1JB, or telephone Basingsloke (0256) 68551 (answering service operates outside office hours). Please quote ref: G/686.

The Civil Service is an equal opportunity employer

Accountancy Appointments

FINANCIAL DIRECTOR

Designate
c. £25,000 + car

LOTUS DEVELOPMENT CORPORATION started its first European subsidiary in Windsor early this year and is now in the process of establishing subsidiaries in France and Germany. The growth of the company since its inception two years ago in the U.S. has been exceptional and Lotus is now the world's largest supplier of P.C. business software with Lotus 1-2-3 and the recently launched Symphony multidimensional business tool.

As a result of this growth the present U.K. Financial Director has been promoted to European Director of Finance and Lotus Development (UK) Ltd is now looking to recruit his successor.

Reporting to the U.K. Managing Director with functional responsibility to the European Director of Finance you will be a key member of the management team and have the commercial awareness to contribute significantly to the continuing profitable growth of the business. You will manage and extend a full range of computer based accounting and business planning systems reporting to tight deadlines. The responsibilities are wide ranging and will include taxation as well as the statutory accounting requirements. A Chartered Accountant in your early 30's you will need to have knowledge of U.S. accountancy practices and experience of managing a high calibre multi-disciplined team. High energy levels and the flexibility of mind to maintain standards in a fast moving environment are essential.

This position offers tremendous opportunities plus an excellent benefits package, including company car, BUPA, Life Insurance etc.

Please send your full career details to David Konrath, the consultant who is advising. LOTUS DEVELOPMENT (UK) LIMITED, Consort House, Victoria Street, Windsor, Berks.



INTERNAL TRAINEE AUDITORS (Banking)

A large growing international Bank with offices in 70 countries is further expanding its Audit Division and seeks candidates who will be young graduates and MBA's who would like to make a career in Internal Auditing. Selected candidates will be offered intensive training before absorbing them. Applicants should be prepared to travel both within the UK and abroad.

The compensation package will be fully competitive. Eligible candidates should apply latest by 14th September, 1984, at the following address with full C.V. and a passport size photograph.

Mirza I. Ahmad, Audit Division, Bank of Credit and Commerce International S.A., 100 Leadenhall Street, London EC3A 3AD.



EDP AUDITOR (Banking)

A large growing international Bank with offices in 70 countries is further expanding its Audit Division and seeks candidates who will be Analysts with 3-4 years' experience in Systems and/or Programming plus an understanding of Systems Security, data integrity and protection of privacy. Applicants should be prepared to travel both within the UK and abroad.

The compensation package will be fully competitive. Eligible candidates should apply latest by 14th September, 1984, at the following address with full C.V. and a passport size photograph.

Mirza I. Ahmad, Audit Division, Bank of Credit and Commerce International S.A., 100 Leadenhall Street, London EC3A 3AD.

FINANCE DIRECTOR DESIGNATE

CONSUMER ELECTRONICS MANUFACTURING GROUP—CAMBRIDGESHIRE

Initially to £20,000 p.a. Age: late 20s/early 30s

Outstanding opportunity for graduate, qualified accountant, experienced in computer applications, to complement young, dynamic management team in rapidly expanding manufacturing group. Factory based, initial responsibility to implement integrated computer accounting, production and management information systems. Thereafter, to oversee entire financial control function. If successful, the applicant would become deputy MD and in due course MD of a major group company.

Requirements: tireless energy and drive, dedication to hard work, top-grade qualifications, 5 years' computer experience.

Please reply to Box A.8705, Financial Times, 10 Cannon Street, London EC4P 4BY

SENIOR FINANCIAL ACCOUNTANT

London based - c. £14,000

BUPA, market leaders in private medical insurance have a vacancy for a Senior Financial Accountant, based at their Head Office in Essex Street, London.

Reporting to the Deputy Head of Finance, the person appointed will be responsible for providing financial and taxation expertise to all companies within the BUPA Group and for ensuring legal accounting requirements, group tax computations and Department of Trade returns are completed. The job also involves control of the Financial Accounting Department including banking and bought ledger.

Applicants should be qualified ACA or ACCA, aged 27 to 35 and should preferably be a graduate and have experience in a commercial environment.

In addition to a competitive salary, company benefits include a mortgage subsidy, free BUPA, a contributory pension and subsidised staff restaurant.

Please write with full details of your experience or telephone for an application form to:

Personnel Department, BUPA Ltd., 24-27 Essex St., London WC2R 3AX. Telephone: 01-353 7631.



Finance Partner Designate

STOCKBROKING Neg. c. £35,000

Our client is a major firm of London Stockbrokers, which intends to form a link with an institution.

A vacancy has arisen for a Chartered Accountant, maximum age 40, to join the firm initially as Finance Controller with a view to progressively assuming the responsibilities of Finance Partner. Early admission to partnership/directorship is planned.

This is an outstanding opportunity for a commercially astute, innovative and creative accountant to play an active part in the financial development and planning of the firm.

Candidates should have first class experience of S.E. operations, preferably gained in a member firm. They will have a strong character and confident personality to implement the changes envisaged. Currently plans are well advanced to develop computer based management information systems.

Please send brief career details in the strictest confidence to Peter T. Williams (Reference LM88) or telephone him for a confidential Career Summary Form on 01-283 3070. Spicer and Pegler Associates, Executive Selection, St. Mary Axe House, 56-60 St. Mary Axe, London EC3A 8BJ.



FINANCIAL CONTROLLER

required for the Editorial Department of the Financial Times Newspaper

The successful applicant will be responsible for the monitoring and control of the editorial budget and, in addition, for the production of monthly management accounts, forecasts, budgets and the provision of management information.

He/she will report to the Editor with a functional responsibility to the Finance Director of the Newspaper. It is unlikely that applicants under 35 would have sufficient experience for this post; a financial background in industry or commerce is necessary.

The salary will be commensurate with the experience and seniority of the candidate.

Interested applicants should write, giving brief curriculum vitae details, to:

Mr A. C. Miller, Finance Director
Financial Times Newspaper
Bracken House 10 Cannon Street
London EC4P 4BY



INTERNAL AUDITORS (Banking)

A large growing international Bank with offices in 70 countries is further expanding its Audit Division and seeks candidates who will be either Chartered or Certified Accountants or have had 3-4 years' internal audit experience in the financial sphere. Chartered Finalists with sound audit background will also be eligible. Applicants should be prepared to travel both within the UK and abroad.

The compensation package will be fully competitive. Eligible candidates should apply latest by 14th September, 1984, at the following address with full C.V. and a passport size photograph.

Mirza I. Ahmad, Audit Division, Bank of Credit and Commerce International S.A., 100 Leadenhall Street, London EC3A 3AD.

International Appointments



Operational Audit

European Base

£18,000-£24,000

with special expatriate tax arrangements

United Technologies Corporation's policy of internal advancement has resulted in placing 17 of its worldwide audit staff in key positions this year.

Our client is now seeking effective leaders for its European audit staff. Successful candidates must have a clear potential for advancement in one of the world's largest manufacturing companies whose rapidly expanding, multi-market, European operations have sales of US \$2 billion.

Requirements include superior communications and analytical skills, motivation to excel, and a minimum of four years financial and/or industrial experience. A second European language would be a major asset. Significant European travel is necessary, with a return to home base at weekends, while this is normally Brussels, individuals may be based in other major European business centres if desired.

Interested applicants should contact Stephen Raby, ACA on London 831 0431 or send a comprehensive curriculum vitae, quoting ref. SR/604/FT, to Michael Page International, Sicilian House, Sicilian Avenue, London WC1A 2QH.



Michael Page International
Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Bank Managers for Turkey

An international finance and investment company, part of a world-wide group, will be established shortly in Istanbul. Applications from qualified banking executives are invited for the following positions:

GENERAL MANAGER

Extensive international and domestic banking experience.

OPERATIONS MANAGER

Wide banking experience, including computerised accounts.

PROJECT FINANCE MANAGER

Experience in evaluating projects, credit analysis and research.

INVESTMENT MANAGER

Marketing skills and short/medium term investment and financing experience.

Preference will be given to Turkish citizens with international banking expertise.

Good command of English essential.

Preferred age 30-45 years.

Salaries and allowances attractive and negotiable.

Applications, together with CV and a small recent photograph, should be sent to: Steggle Palmer, 2 Bedford Row, London WC1R 4BU.

Please mark the envelope 614 in the top left-hand corner.

All applications will be treated in strict confidence.

Financial Controller

Saudi Arabia

For a major Saudi investment holding company with widely diversified interests in manufacturing, trading, contracting, agriculture and services.

They now require a Financial Controller to monitor group performance and assume responsibility for internal audit and capital budgeting functions. The position reports to the Vice President of Finance.

You should be a qualified accountant with several years' audit and controllership experience in organisations with a reputation for high standards, and should be familiar with computer-based accounting and information systems.

Salary, free of local tax, is subject to negotiation but should not be a limiting factor. Fringe benefits will include a car and free housing. Contract terms are for discussion.

Write in confidence to John Cameron, as advisor to the company, quoting ref. CF301, at 10 Bolt Court, London EC4 (telephone 01-583 3911).



Management Selection Limited

EMPLOYMENT CONDITIONS ABROAD LIMITED

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YOUR OFFICE IN PAKISTAN

Pakistan is a rich-growing country with lots of potential in trading and technical fields. If you require a reliable Representative in Pakistan open contact us. We have modern office facilities with telephones and telex facilities. Joint-venture factory proposals, trading, tendering assistance available.

Please contact for personal negotiations or send your details up to 7 September 1984: SARDAR ALEM, 55 Spring Road, Faltham, Middlesex, London TW13 7JA Telephone 01-820 5274 (from 9 am to 12 noon)

CHARTERED ACCOUNTANT—PARIS

required as assistant to the Financial Director of a British group, rapidly expanding in Continental Europe in Retail Distribution. The preferred candidate will have had 2-3 years' Continental experience, be strong in EDP, fluent in French and may have knowledge of another European language. This is a newly created post with an early starting date; the work will be varied and interesting.

Letter of application in French (mandatory) with C.V. in English also a recent photograph to Box A.8711, Financial Times, 10 Cannon Street, London EC4P 4BY

General Appointments

THE INTERNATIONAL FUTURES EXCHANGE (BERMUDA) LIMITED

is a unique trading vehicle for financial futures markets worldwide. The company is expanding its activities and has an opening in its London office.

You will be responsible for representing the exchange in the London and European financial communities and for establishing and maintaining sound relationships with members of the clearing house.

You will have an extensive City background, in futures and/or banking, with experience in international financial marketing. Ideally in your 30s should be responsive to new ideas and be able to cope with a demanding environment. An excellent salary and other benefits are offered commensurate with this position.

Please write in strict confidence to:

The Personnel Manager,
The International Futures Exchange (Bermuda) Limited,
6, 7, 8 Crutched Friars, London EC3N 2AN
Telephone: 01-481 4217/8

Handwritten signature or note at the bottom of the page.

THE ARTS

Sarah et le cri du langouste/Edinburgh Festival

B. A. Young

The full title of this enchanting two-hander at the Lyceum is Sarah et le cri du langouste, and the call of the crayfish is indeed mentioned in conversation, though without influencing the train of events. The conversation is between Sarah, who is Sarah Bernhardt, 77 years old and not really used to her eight-year-old wooden leg, and her secretary-companion Georges Pitou, 20 years her junior, a man of salient normality.

Camille, even half-mad as she paints a beak on her face and from legend, description and some fragments of film. She goes caw-ing about the stage to see if Pitou and she agree about the train of events. The impersonation is complete, and if Seyrig remains Seyrig, who will complain?



Delphine Seyrig as Sarah Bernhardt

where these things happen with little but Sarah's big art nouveau armchair (with a little footstool where Pitou reverently places or removes the one remaining foot) and a handful of

smaller furniture. The lighting, which follows the sun around Sarah's vague ideas of the time of day, is by Gerard Kersey. The play's run at the Lyceum is, alas, only four days long.

London Sinfonietta/Albert Hall

Andrew Clements

No one would claim that three-part concerts were one of the most welcome innovations of the Glock years of the BBC, though to encounter such a programme now rekindles many good and challenging memories. Tuesday's triple-decker Prom was a nicely designed showcase for the invaluable enterprise of the London Sinfonietta.

Hall is by no means an ideal place in which to disentangle its proliferating melismata. But the women's voices of the BBC Singers provided the halo of vocalisations round and about the soloist, while the solo cellist and horn player, twin dramatic protagonists, were Christopher Van Kampen and Philip Eastop.

to the settings of Thomas Wyatt and Christopher Logue that form the work's core. The women's voices of the BBC Singers provided the halo of vocalisations round and about the soloist, while the solo cellist and horn player, twin dramatic protagonists, were Christopher Van Kampen and Philip Eastop.

familiar version of 1923 with four pianos and percussion, but to an earlier orchestration (1917). If this scoring lacks some of the directness and pungency of the final product, there are certainly ideas that gain in vividness with a more varied instrumental backdrop: the soprano's opening solo was originally entwined with a high clarinet, the pianos' block chording of the third scene was the replacement for a fierce and thrilling brass toccata. Mr. Edvics gave on account that gradually took fire and gained in bite and physicality; the orchestral playing was immaculate throughout.

Obituary/J. B. Priestley

Alan Forrest

John Boynton Priestley died yesterday within a month of his 90th birthday. He was a Bradfordian, a Swan Arcadian and a professional Yorkshireman. To explain what it means to be a Swan Arcadian, I have to recall that beautiful Florentine edifice in Bradford's city centre, now long gone, where Priestley and I both started our careers in wool merchants' offices, he just before World War One, I in the early days of World War Two.

He was a great journalist and almost a great writer. His Postscripts—those BBC talks during World War Two—were almost as good for morale as Churchill's speeches. When Winston was talking about winning, the war, Priestley was talking about what we'd do afterwards. I suppose he was a bit like the Army Education Corps—his great battle honour was the winning of the 1945 general election.



much about punctuation. I do a first draft and then I do a second one and take all the commas and semi-colons out." Priestley puffed at his pipe and said, "Aye well, lad, when you get to my age, you'll start putting 'em all back in." He was awarded the OM in 1977. He is survived by his widow, Jacquetta Hawkes, the archaeologist and writer, and by a son and four daughters from previous marriages.

Intimate Exchanges/Ambassadors

Martin Hoyle

Siegfried has been called the scherzo of the Ring. If we had to identify One Man Protest as a movement in Alan Ayckbourn's play cycle, freshly arrived in the West End from Greenwich, it would be the scherzo.

freezing dusk in her wintal yard. Act 1 of Protest ends with an equally fraught victim of emotional turmoil locking himself in a garden shed. We expect the mental disintegration, both funny and frightening, touched off in Ayckbourn's blacker comedies. But Act 2 plays safely for laughs. The recluse, still in the shed after five weeks, is devotedly fed with apple crumble and summer pudding. Reconciliation, as well as the smell of farcically burnt trousers, is in the air.



Robin Herford and Lavinia Bertram

Record review

Dominic Gill

The fruits of patronage

Kurtág: Messages of the late Miss R. V. Trousova. Birtwistle: ...agm... Ensemble InterContemporain, John Aldiss Choir/Pierre Boulez Erato STU 71543.

It is one of Birtwistle's most impressive works, about half an hour long, scored for 25 instruments and 16 voices, which takes as its text—like the earlier Entr'actes and Fragments of 1965 or the Cantata of the composer—is offered to the Musée has been to provide a de Coordination Acoustique-haven for composers of all nationalities. The service offered is uniquely self-contained: under a single roof, the composer is offered the facilities for his work, the commission money to proceed, and the instrumental ensemble or electronic equipment on which it will eventually be performed, as well as the concert platform itself—an all-embracing patronage.

And there is the implacable metre: Sapphic ostinato in one guise or another, sometimes vigorously, sometimes in slow ceremonial procession, underpin every measure of the piece. The plan of the music is very simple, but its working is remarkably complex—a rich and subtle canvas elaborated from only a handful of prime rhythms, primary colours. The structure is verse-like, episodic (Birtwistle's first published work, Refrains and Choruses of 1957, revealed an interest in verse-form that has marked much of his subsequent music). But at every level, rhythmic, harmonic, melodic, textural there are powerful connecting links. The harmonic scheme especially gives a strong sense of continuity: a mesh of unisons, octaves, fifths and fourths, sometimes wild, sometimes blended. The scheme is above all economical: in nine minutes Harvey covers more ground, more vividly, than he does in some of his more recent pieces lasting as long as an hour. The sound-quality of the two discs is excellent: warm and clear; the recording level is on the low side.

ful work—not an easy piece, and one which has sharp edges, is made of sharp metal. The music cuts with Xenakis-like insistence—no direct parallels are implied, but only a kind of kinship in the physical presence of the sound, its earth-bound urgency and starkness, and in its preoccupation with growth from seed of efflorescent, arborescent forms. On the second disc of IRCAM's series it is interesting to hear again Gérard Crisey's Modulations for 33 instruments, which had its premiere at the same concert as ...agm... in the Théâtre de la Ville in 1979. I thought it then a clever but insubstantial piece, mixing (in a peculiarly Parisian fashion) vaporous academicism with quick-witted melisma. On record now, many of those first impressions are revived: its chief virtue, which perhaps I underestimated at the time, is an unusually keen ear for combinations and oppositions in instrumental colour. But it has none of Kurtág's extraordinary lyrical concentration, although it aspires to similar lyrical heights, nor any of Birtwistle's toughness and conviction. Antriphysis by Hughes Dufout (1979) is a pleasant 18-minute essay for solo flute and ensemble which exploits some pretty, avant-garde flute effects, intelligently but unmemorably. Mortuus Plango, Vivos Voco is a concrete tape-piece by Jonathan Harvey in which the sound of the voice of his choirboy son Dominique and the sound of the tenor bell of Winchester Cathedral are neatly and imaginatively blended. The scheme is above all economical: in nine minutes Harvey covers more ground, more vividly, than he does in some of his more recent pieces lasting as long as an hour. The sound-quality of the two discs is excellent: warm and clear; the recording level is on the low side.

Classic ideas that qualify for Eureka!

Financial Times writers select their personal Top Ten

TO QUALIFY as a classic, an invention must satisfy three tests. The first is of paramount importance—the mechanism must change fundamentally the way the world operates. Second, the invention must appear at the right time. Its development should coincide with other accidents of history so that the invention's characteristics are exploited to their full potential. The third test is of diffusion. Lots of people must either use the invention or be affected by its consequences. The test of diffusion rules out any invention that affects fewer than half the world's population of 4bn. This explains why relatively new gadgets, such as the computer, robot and laser, fail to qualify. They will probably make the lists of this kind that historians draw up around the year 2050. The compass was not the first classic invention. But its effects were of the most profound—it made possible the epic explorations by European seafarers in the 15th and 16th centuries. These journeys paved the way for the long period in which Europe dominated the rest of the world. People in Europe have to thank Alexander Neckham, a foster brother of Richard the Lionheart, for introducing them to the compass around 1190.

The gadget was originally conceived in the East. Chinese chariots around 2800BC were guided with pieces of magnetite suspended by threads. The compass has a similar ancestry. Chinese warriors invented the mechanism in 1275—about the same time as they devised the solid-fuel rocket. Other people improved on the basic idea, most noticeably Col Sam Colt of the U.S. Army, who developed the revolver in 1835. Most modern weapons systems, from depth charges to President Reagan's Star Wars, are derived from the original Oriental invention. The electric motor, first demonstrated by Thomas Davenport, an American, in the mid-19th century, originally powered factory machinery. It has been the main engine for the industrialisation of the developed world. No one has bothered, for some years, to count electric motors in the way they sometimes do for computers. But the number must run to hundreds of millions, if not billions. No list of inventions would be complete without the wheel. Step forward for a bow an anonymous



- CLASSIC INVENTIONS
Wheel
Compass
Mirror
Abacus
Cannon
Book
Electric motor
Excavator
Fertiliser
Aspirin

artificial fertilisers, spreading them on a turnip patch in Rothamstead, Hertfordshire, in the mid-1800s. Felix Hoffman, another German chemist, devised the aspirin in 1897. It was later sold by Bayer, marking the dawn of the pharmaceutical industry. The printed book, made possible by Johann Gutenberg's printing press of 1448, influenced the worlds of learning and entertainment for centuries. So did the abacus, developed in several countries at once around 1000BC. The abacus provided the basic ideas for the digital computer. The final invention is the most earth-shattering of them all. The mechanical excavator has a cosmopolitan background. The British Marquis of Worcester first expressed the need for it in 1726. About 100 years later, François Camus of France actually built one, powered by a steam engine. In the early 20th century Benjamin Holt, an American, fitted tracks to the machine (by then driven by a petrol engine), giving us the bulldozer. The device then really came into its own, changing the landscape in virtually every part of the world in which mankind has established the smallest toehold. Peter Marsh Tomorrow: The 10 most newspaper headlines

Arts Guide

WEST GERMANY

Munich: Leinbichlers, 33 Leinbichstrasse: The first big retrospective with works by Uwe Lauen, the German artist (1941 to 1979). It has 100 pictures, graphics and drawings. Ends Aug 19. Nürnberg: Germanisches Nationalmuseum, 1 Körnermarkt Carl Buchheiser (1800 to 1894), one of the pioneers of the so-called informal school of painting, has an exhibition here with 78 oil paintings, watercolours, material pictures and collages. The show is rounded off by 29 works of contemporary artists. Ends Sept 2. Venice: Palazzo Ducale: The Treasures of the Pharaohs—a rich and fascinating exhibition of more than 60 works (sent by the Cairo Museum)—covering over 3000 years, and containing an enormous variety of objects from ancient Egypt such as tombs and cooking pots to the contents of Tutankhamun's tomb. Until End of December. PARIS De Kooning—to celebrate the 80th birthday of the pioneer of abstract expressionism, Beaubourg presents a retrospective of 80 paintings, 100 drawings and seven sculptures, showing the astonishing facility

MUSIC/MONDAY, OPERA AND BALLETTUESDAY, THEATRE/WEDNESDAY, EXHIBITIONS/THURSDAY A SELECTIVE GUIDE TO ALL THE ARTS APPEARS EACH FRIDAY.

Aug 10-16

TOKYO

New Stone Age Earthenware from Shion collection: 300 items of pottery from the Jomon period (about 4000-250 BC). The important collection is mainly from excavations in Tama, Tokyo Suburbs. Tokyo National Museum. Ends Sept 16. NEW YORK Museum of Modern Art: After being virtually closed for three years of renovation, the museum has a chance to show the depth and breadth of its considerable collection. No longer is it a boutique of the modern classics but more like a department store, with double its previous exhibition space and room for such examples of modern design as a whole helicopter. INNSBRUCK The Tyrolean Nation 1790-1820: Prints and paintings illustrate the Tyrolean peoples' fight against Napoleon and their fruitless struggle for nationhood under their charismatic leader Andreas Hofer. At the Tyrol Provincial Museum, Innsbruck, until 14 October. NETHERLANDS The Kroller-Müller Museum, set in woodland at Otterlo, between Utrecht and Arnhem, offers a special opportunity this summer to see the museum's complete collection of 274 Vincent van Gogh works together for the first time. The museum al-

Advertisement for Andrews Industrial Equipment Ltd. featuring the slogan 'TOO HOT TO WORK?' and 'We'll air condition your business quickly, efficiently and economically.' It also lists 'A wide range of fixed or portable units for every type of environment' and provides contact information: 'Offices throughout the UK. Andrews Industrial Equipment Ltd. Tel: 0902 58111'.

FINANCIAL TIMES

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Telephone: 01-248 8000

Thursday August 16 1984

Warning light on wages

ONLY A confirmed pessimist could fail to find some solace in the first rise in UK manufacturing employment for seven years. The rise may have been modest—the extra 3,000 jobs created in the second quarter is a tiny fraction of total manufacturing employment of 5.5m—but it was a welcome change of direction. Even so it would be foolish to start celebrating. Nearly 34 years into an economic upturn, a much more substantial rise in employment ought by now to have materialised.

One reason why it has not is the fact that the fortunate majority of Britons in employment persist in voting themselves unearned pay increases. A second batch of statistics released yesterday more than caps out the mildly encouraging news about manufacturing employment. As the economic recovery has matured, the initial burst of productivity growth has subsided.

Competition
Even if the pay of those in work was rising this fast throughout the industrial world, it is arguable that the picture becomes bleaker still. In the first quarter, British unit labour costs in manufacturing were rising at an annual rate of 4.4 per cent. In West Germany the annual rise was zero while in the U.S. and Japan, unit labour cost are actually declining at an annual rate of 3 per cent and 5 per cent respectively. A gap in competitiveness is opening up which the Confederation of

British Industry is right to lament. If it continues to widen, there is little chance of the trickle of new manufacturing jobs turning into a flood. In this context it is alarming to consider the possibility that the UK has seen the best of the recent cyclical upturn. There has been no rise in the Central Statistical Office's leading indicators since last autumn. After adjusting for the miners' strike, there is evidence of a mild decline in industrial output since the third quarter of 1983. The hope among forecasters is that exports and industrial investment will now maintain the momentum of recovery but these engines of growth have proved fallible in the past. In any case, excessive pay settlements will throw a dampener on companies' ability to finance new investment or to win new export markets.

Dilemma
The combination of flagging economic recovery and an uncompetitive rise in British unit labour costs poses a painful dilemma for the Government. It may appear to strengthen the case for a reduction in real interest rates which are higher in the UK than in West Germany or Japan. The Bank of England has already admitted that domestic monetary conditions present no obstacle. Cheaper money would also tend to lower the exchange rate further still and offer companies compensation for their rising relative unit labour costs. Such an easy theoretical solution is not likely to appeal to the Government—and with some reason. Part of the point of five years of comparative austerity has been to change attitudes in board rooms and on the shop floor. It is dispiriting that the change so far has been so slight. Why have British companies been prepared to concede relatively bigger pay awards than their competitors abroad when their profits are not higher and when the British labour market is slacker than most? It seems that managers are not convinced that the Government's efforts to overcome inflation will succeed, and that boardrooms are going to have to show more resolve.

Towards taxless bond markets

DISARMAMENT is sweeping the world: unfortunately it does not involve nuclear weapons but the taxation of interest payments to foreign holders of domestic bonds. America has led the way in ordaining that this 'withholding tax' should be done away with and that interest should be paid in full to foreign bondholders. It follows that the flow of claims on interest payments on Euroyen bonds is now making haste to follow, in order to preserve the relative appeal to the investor of bonds denominated in their respective currencies. West Germany has almost made up its mind to remove the tax on interest bonds sold abroad. The UK Treasury has dusted off its right to issue gilts with interest paid to non-resident investors free of tax. Japan is taking a fresh look at the tax it withholds on interest payments on Euroyen bonds.

Barriers eroded
In the past the treatment by governments of interest paid to foreign bondholders has been fiercely defended. The reasons—often their habitual approach to securing tax revenue and their desire to influence the standing abroad of their bond issues. Thus West Germany, which habitually paid bonds interest gross, decided in the mid-seventies to deter D-Mark investors by imposing withholding tax. The UK, which tends to pay interest net, waived withholding tax on certain gilt issues to foreigners in the late seventies for exactly the opposite reason. The U.S. has tended to be less affected by currency considerations and has imposed withholding tax for a long time in the pursuit of tax revenue.

There is at the moment a strange convergence of interest in the matter. The U.S. despite an extremely strong dollar, is anxious to fund the U.S. budget deficit at the lowest possible rate of long-term interest. Its bankers are also eager to recapture part of the offshore dollar bond market—the business of issuing Eurodollar bonds. Both considerations argued for the removal of withholding tax. Meanwhile, the Governments of most other industrialised countries are worried by the weakness of their currencies vis-à-vis the dollar and are therefore inclined to match any U.S. concession.

This is a happy convergence of aims. It is both inevitable and beneficial that barriers between discrete domestic capital mar-

Economic Viewpoint

There is no miracle in the Reagan recovery

By Samuel Brittan

WHY does the argument about the Reagan boom in the U.S. and the danger that it may lead to over-heating and inflation give me the impression that "I have been here before"?

The reason is that when I spent an extended stay in the U.S. in the spring of 1978, I heard precisely the same arguments about the Carter boom then in progress. The popular view is that fiscal laxity is being balanced by monetary stringency. If it is, the monetary aggregates do not show it. The narrow money indicator, M1, which is watched by financial markets has actually been rising more quickly in 1983-84 than in 1976-77. If to take account of "long and variable lags" we go back to the three years preceding each expansion, then again the current boom was preceded by more rapid monetary growth than the one starting in 1978.

Inspection of the broader aggregate, M2, gives a more mixed picture, and it is, of course, not news that financial innovation has affected the meaning of the aggregates and that velocity has shifted about quite a bit. The best way to make sense of the conflicting monetary and fiscal indicators is to look at the final outcome of policy plus spontaneous developments. This is shown by nominal GDP, which is of course the product of money times its velocity.

Here I came across the biggest surprise of the whole investigation. For there is virtually no difference so far in the two cycles. Nominal GDP looks like rising by 14 per cent in 1984 almost the same as in the corresponding year, 1977.

Within nominal GDP the mix between real growth and inflation does look much better than last time round. Of the 14 per cent rise in nominal GDP, 11 per cent is real and only 3 per cent is inflation. In 1977, real growth was 5 per cent and inflation nearly 6 per cent.

The Carter upturn was, of course, marred and ultimately brought to an end by stagflation, which was even more spectacular (and went well into double digits) when measured by the popular, although highly distorted Consumer Price Index than by the more sober GDP deflator. By contrast, inflation has con-founded the pessimists in the

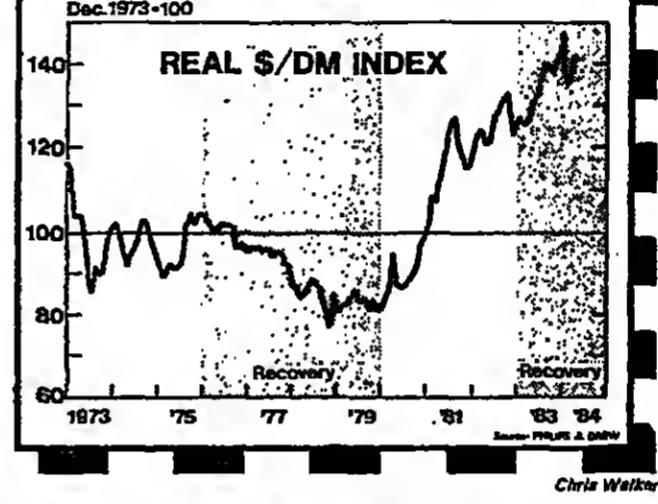
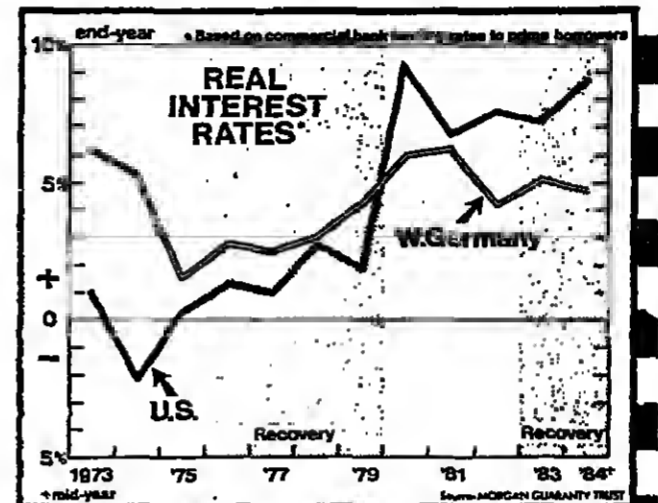
CARTER AND REAGAN RECOVERIES COMPARED

Year	% Changes per annum					Adjusted deficit % of GNP
	Nominal GNP	Real GNP	Price deflator	M1†	M2†	
1973	11.8	5.8	5.8	5.5	4.9	-0.7
1974	8.1	-0.6	8.8	4.4	5.5	0.0
1975	8.0	-1.1	9.3	4.9	12.6	-1.7
1976	10.9	5.4	5.2	4.6	13.7	-0.9
1977	11.7	5.5	5.8	8.1	10.6	-1.0
1978	12.8	5.0	7.4	8.3	0.0	-0.7
1979	11.7	2.8	8.6	7.2	7.9	-0.1

Year	% Changes per annum					Adjusted deficit % of GNP
	Nominal GNP	Real GNP	Price deflator	M1†	M2†	
1980	8.8	-0.3	9.2	4.6	8.5	-0.5
1981	12.8	2.6	9.4	6.5	10.0	-0.1
1982	4.0	-1.9	6.0	8.7	9.4	-1.0
1983	7.7	3.4	4.2	9.3	11.7	-1.8
1984*	11.7	7	4	7	7	-2.4
1985*	—	—	—	—	—	-2.6
1986	—	—	—	—	—	—

* Forecast † Dec. on Dec.

Source: Council of Economic Advisors, except for 1984-85



Chris Walker

Reagan boom by refusing to take off. Why should inflation have been so much better this time round? Judged by both output and unemployment, the recession which preceded the present upturn—the double bottomed one of 1980-82—was more severe than its predecessor of 1974-75, and a greater gap opened up between inflation and inflationary expectations. Nevertheless, unemployment, at around 7 per cent, is about as low as it was in the corresponding period of the last cycle. This is only 1 per cent above the New York Fed's estimate of the NAIRU, that is the minimum rate consistent with non-accelerating inflation. NAIRU estimates are highly uncertain and wage increases are normally also supposed to reflect the speed of fall in unemployment, which has been very rapid, as well as the level. So a purely labour market explanation of continuing low inflation is dubious.

hard column, that real interest rates are determined by world capital markets rather than central banks, we should be careful about attributing the main responsibility to the Fed. The main reason why U.S. real rates are higher than in key financial centres abroad relates more to fiscal than monetary policy. The effect of large Treasury borrowing is not only to raise interest rates in the U.S., but to attract funds from overseas. Overseas holders require some interest differential, if only because of the exchange risk. Nevertheless, if it were not for the possibility of foreign borrowing, U.S. interest rates would be far higher than they are.

The main effect of high real interest rates on inflation comes via the exchange rate. This is illustrated most dramatically in the dollar-DM chart. The dollar's real exchange rate against the mark fell by 20 percentage points over 1976-79. By 1984 it had gained about 60 percentage points, making a net rise of 40 per cent.

The move from a weak to a strong dollar has had a big dampening effect on the U.S. price level—not only via import prices, but by exerting downward pressure on domestic products competing with imports and on cost levels in the export sector. (This normal effect of a strong dollar has combined with the relative weakness of the European and Japanese economies to depress dollar commodity prices.) The U.S. price level is artificially lower and the European level artificially higher because of the strong dollar.

We thus arrive at the paradoxical conclusion that U.S. budget deficit, by driving up the dollar has reduced the U.S. inflation rate over the past few years—just as the weak dollar raised it earlier—and accounts for the greater part of the difference between the Carter and Reagan experiences.

But before Mr Roy Hattersley again quotes me out of context, there are some less comforting thoughts to convey. To begin with, one country's gains is another's loss in the game of competitive borrowing. If European countries tried to compete with the U.S. to attract funds to finance Budget deficits, there are no prizes for guessing who would win.

But even in the U.S. alone, the counterinflationary gain is transitory and vulnerable. A rising dollar tends to reduce the U.S. inflation rate. If the dollar stays high, but rises no further, the inflation rate bonus will gradually disappear.

The gain will go into reverse when the real dollar exchange rate depreciates, which in some way end in some form as inevitable. Nothing that has happened in the past few years has either eliminated the importance of payments, nor eliminated the effect on that balance of an overvalued exchange rate. Let us suppose that U.S. real interest rates on inflation come via the exchange rate. This is illustrated most dramatically in the dollar-DM chart. The dollar's real exchange rate against the mark fell by 20 percentage points over 1976-79. By 1984 it had gained about 60 percentage points, making a net rise of 40 per cent. The move from a weak to a strong dollar has had a big dampening effect on the U.S. price level—not only via import prices, but by exerting downward pressure on domestic products competing with imports and on cost levels in the export sector. (This normal effect of a strong dollar has combined with the relative weakness of the European and Japanese economies to depress dollar commodity prices.) The U.S. price level is artificially lower and the European level artificially higher because of the strong dollar.

Following in father's footsteps

All change and no change at Wall Street's venerable investment banking partnership, Goldman Sachs. John InWitehead's decision to step aside as co-chairman of the firm means that John Weinberg, who at 33 is three years younger than his friend and colleague, will be following in his father's footsteps as sole chairman of Wall Street's largest private securities firm. Princeton and Harvard graduate who joined Goldman Sachs in 1950, is the younger son of the celebrated Sidney Weinberg who led the firm for almost four decades until his death in 1969 and is widely credited with building Goldman into the powerful force it is today.

Under Sidney Weinberg, Goldman Sachs founded in 1869 in a one room basement office in the Wall Street area by Marcus Goldman—dramatically expanded its list of blue chip clients. Today these clients include such names as F. W. Woolworth, Continental Group, Ford and Sears Roebuck which

Men and Matters

Goldman Sachs took public in 1963.

Weinberg and Whitehead (the "two Johns") who set opposite each other at facing desks in the '50s and have remained friends ever since, have run Goldman together in what is generally considered to be one of the most successful Wall Street power-sharing systems since 1978 when they took over from another Goldman luminary, Gustave Levy.

Under their leadership, Goldman has maintained its much envied status as one of the top Wall Street firms and continued to expand its business both at home and overseas.

Some of the credit for this expansion goes to another Weinberg. John's elder brother Sidney (Jimmy) Weinberg, now aged 61, is in charge of the firm's investment banking services department—the "marketing arm" which has added a further 500 new corporate and government clients to the list since 1979.

Watch-dog

It has taken an embarrassing six months to find a new chairman for the National Consumer Council—and after the mild gentility of the late Michael Shanks, the NCC may find the change a bit of a shock.

Michael Montague, chairman of Valor and the English Tourist Board, may be a courteous specialist, but he has the abrasive corporate style of the "knock some sense into them" school. At 52, the neatly-moustached bachelor is a tricky subject, too, for any consumerist's speculative analysis. As an ambitious and able company executive, he comes from the very manufacturing and sales background that many consumer watchdogs see as the enemy.

competitive U.S. financial services industry

But during his spell at the ETE, Montague has shown a willingness, even enthusiasm, to attack commerce on the part of its customers. His assaults on hotel over-charging and seaside entertainment rip-offs have already won him the admiration of those who look to tourist boards only for platitudes and bonhomie.

Montague will be able to take his shopping hours and licensing law campaigns across to Queen Anne's Gate with him. Perhaps the consumer press should sharpen its pencils.

In store

Sears Roebuck, the Chicago-based retail giant with \$38n a year in sales, has a new heir apparent to the number one job of chairman and chief executive.

By naming Edward Brennan, aged 50, as president and chief operating officer, the world's largest retailing group appears not to have resolved the leadership question ahead of the expected retirement next year of its current chairman, Edward Telling. He has been at the helm since 1978 at a time when the group has been actively pushing into the financial services industry.

Brennan, a Telling protégé with a reputation as a tough executive, is known for his attention to detail. He is a Sears man with 27 years of service. Until his latest promotion he was chairman and chief executive of Sears' highly profitable merchandise group.

His new appointment, against strong competition from several other contenders, is seen as a sign that Sears will continue its current aggressive strategy both in the merchandising and financial services fields.

Under Telling, who has held the additional post of president since the retirement of Archie Bow in March, Sears has become a major force in the highly

BASE LENDING RATES

A.B.N. Bank	11%	Hill Samuel	11%
Allied Irish Bank	11%	C. Hoare & Co.	11%
Amro Bank	11%	Hongkong & Shanghai	11%
Bank of Montreal	11%	Kingsnorth Trust Ltd	10%
Bank of New York	11%	Knolly & Co. Ltd	11%
Bank of Paris	11%	Lloyds Bank	11%
Bank of Rome	11%	Mallinball Limited	11%
Bank of Spain	11%	Edwards & Sons Ltd	11%
Bank of Sweden	11%	Morgan Grenfell	11%
Bank of the Netherlands	11%	National BK of Kuwait	11%
Bank of West Germany	11%	National Girobank	11%
Bank of Yugoslavia	11%	National Westminster	11%
Bank of Zaire	11%	Norwich Gen. Trst.	11%
Bank of the Middle East	11%	People's Trst. & Sv. Ltd.	12%
Bank of the Pacific	11%	R. Raphael & Sons	11%
Bank of the South	11%	P. S. Refson & Co.	11%
Bank of the West	11%	Roxburgh Guarantee	11%
Bank of the East	11%	Royal Trust Co. Canada	11%
Bank of the North	11%	Cayser Ltd.	11%
Bank of the South	11%	J. Henry Schroder Wagg	11%
Bank of the West	11%	Cedar Holdings	12%
Bank of the East	11%	Standard Chartered	11%
Bank of the North	11%	Trade Dev. Bank	11%
Bank of the South	11%	TCB	11%
Bank of the West	11%	Trustee Savings Bank	11%
Bank of the East	11%	United Bank of Kuwait	11%
Bank of the North	11%	United Mizral Bank	11%
Bank of the South	11%	Volksbank Limited	11%
Bank of the West	11%	Westpac Banking Corp.	11%
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The FT's Sue Cameron, who has just spent 18 months working inside the Civil Service, explains...

The way to win in Whitehall

WHITEHALL IS an alien land. They do things differently there. Yet those are the ones who award the contracts, decide on the grants, recommend the tax changes and frame the new laws that can have a profound effect on your livelihood—whether you are a company director or a trade unionist. Some of you will be past masters at the art of nobbling Ministers and mandarins. But for those of you who have found the corridors of power inoperable or inaccessible, here are a few suggestions gleaned from the usually reliable source.



"I've seen the Permanent Secretary, the Deputy Secretary, the Under Secretary, the SEO and the HEO and they told me to ask you if I could see the Minister"

DO read the Yes Minister paperbacks based on the TV series. Enjoy them by all means—but understand that they are founded firmly on fact.

DO familiarise yourself with Whitehall's hierarchy. Starting from the top the order of precedence is as follows: Permanent Secretary; Deputy Secretary; Under Secretary; Senior/Higher Executive Officer (variably abbreviated to SEO and HEO); Executive Officer (EO); Clerical Officer (CO)—and other support staff.

DO have a stab at learning their language. As with any foreign tongue—and particularly with a forked one—it is necessary to learn what they say, but outsiders don't always understand what they mean when they say it.

DO make an effort to sort the official sheep from the Departmental goats. British Petroleum gives its bright young graduates the job of finding out who's worth knowing in Whitehall. Age of promotion is a good guide as to who is on the up and up. The younger they are when they gain promotion—under 35 for the rise from Principal to Assistant Secretary and well under 45 from AS to Under Secretary—the more likely they are to be worth cultivating. The Civil Service is usually good at spotting able people and pushing them up the ladder quickly. As with other organisations, occasionally the dead wood is allowed to float to the top.

DO maintain contact with bright officials even after they are moved to jobs outside your immediate area of interest. The Chemical Industries first met Peter Clegg when he was an Assistant Secretary looking after the chemical industry. ICI was careful to keep in touch—and he later became Permanent Secretary at the Department of Trade and Industry.

DO take note of the ministerial hierarchy within a department: Secretary of State—who will be a member of the Cabinet; Minister of State; and Parliamentary Under-Secretary of State—known in the trade as a PUS. The influence wielded by a junior Minister depends very largely on his relationship with his Secretary of State. Some Secretaries of State allow their juniors very little leeway, because they do not like them or trust them, or because they want to grab any credit that may be going for themselves.

DO make use of Ministers' private offices. These are staffed by a private secretary—usually an HEO or a Principal—plus an assistant private secretary, a diary secretary and typists. The private secretary has considerable influence when it comes to drawing matters to a Minister's attention. They are therefore good gyanising other officials into action. They can—and will—speed up the system for you. Private secretaries also sit in on their Minister's meetings to take notes. They are therefore the best possible sources of information about what is going on in a Department.

DO realise that you will pop your missive into a folder marked Secretary of State/Minister of State or PUS's Case and farm it out to the relevant civil servant. The latter will then produce a draft reply for the Minister to sign. The beauty of the system—from your point of view—is that if the official fails to move quickly he will have the private office on his back demanding to know why.

DO NOT be shy of ringing up an official you know—even if you have only met him once at a formal function. He will almost certainly do his best to be helpful. If he can't give you any guidance himself he will find out the name and number of some other civil servant who can.

DO NOT start at the top of the Civil Service hierarchy unless you know someone there. Your query will only be passed down the line to the Principal or Assistant Secretary who has a detailed knowledge of the subject. You can always demand a right of appeal to someone higher up the ladder later on. (The rule about not starting at the top only applies to officials—Ministers are fair game.)

DO NOT overlook the 10 regional offices of the Department of Trade and Industry, which are good initial points of contact.

DO NOT neglect your trade association. Trade associations carry considerable weight in Whitehall because they can give an industry-wide view. Make sure you contribute to that view.

DO NOT forget that you have something the mandarins want—information. The only way you can find out about the plans, problems and general position of an industry or a company is if you tell them.

Unless you are lobbying for something that is very specific to your own organisation—a grant, for example—always try to put your request in as broad a context as possible.

DO give them early warning of possible problems. The sooner you tell them that a proposed change in the tax rules will spell disaster for the British widget industry, the sooner they can act to change things. This is good for the widget industry. It is also good for the individual civil servants who will earn brownie points from their bosses for displaying perception and foresight. That will make them all the more keen to develop their personal relationship with you.

DO feed them from time to time. Whitehall's inhabitants tend to be inescapably—but hungrily.

DO realise that, having eaten your lunch, the first thing your guest will do when he rolls back to his Department is to write down everything you said. He will then distribute copies of the conversation—plus his impressions of you—to anyone and everyone in Whitehall who might conceivably be interested. His notes will also be put on file. So watch what you say.

DO the same when you get back to your office. And make sure that everyone in your organisation reports on all meetings or conversations with Whitehall—however casual. This will ensure that your left hand is playing the same tune as your right. It will also help you to build up a picture of the way their thinking is going.

DO NOT be overawed by Ministers. GJW, a lobbying agency set up by the former aides of Edward Heath, Jim Callaghan and David Steel, says it is constantly surprised how a strong company chairman will wilt when faced with a Minister.

A GUIDE TO THE LANGUAGE

CONTEXT and tone of voice are all-important when it comes to interpreting the language of Whitehall. Here are a few of the more commonly used expressions—with translations.

"Do let us discuss this further."

TRANSLATION: We have a whole pile of objections to put forward.

"This is most interesting..."

This is superficial and badly argued.

"We are most grateful to you."

"Your whole approach is totally inept."

"Some clarification would be useful..."

"You are talking nonsense."

"I will require careful thought..."

"We don't intend to do anything about it."

"We feel more work is called for here..."

"We're not going to waste another moment on this."

"There could be difficulty in..."

"We're going to block you."

"We must wait until the climate is right..."

"And that won't be in your lifetime."

"We question whether this would be helpful..."

"This must be stopped at all costs."

"We were most concerned to learn of your action..."

"You have committed a heinous offence."

"We wonder whether your decision was wise..."

"You're a bloody fool."

The fact that he is surrounded by hordes of seemingly respectful civil servants can create a certain mystique. But it is pure stage management—and some Ministers rely heavily on the prompt.

DO NOT—ever—listen to them if they tell you not to make a fuss. You would be amazed at the number of normally intelligent people who have fallen for the following line: "This requires very delicate handling and any publicity or rocking of the boat would be fatal at this stage..." what they mean is that any publicity or general boat rocking would probably force them to agree to your demands. Requests for discretion—from either Ministers or officials—should be the signal for approval, business complaining from the house tops.

DO NOT confuse your lobbying activities or your Civil Service contacts to one Government Department. Departments of State have been rightly compared to feudal baronies and they are constantly warring. The battle grounds are inter-departmental meetings. You need to ensure that other Departments are supporting your case rather than opposing it. They can also help you when you're "sponsoring" a Department—DTI for example—is more advanced and requires people with experience in technological, medical, social, scientific and agrarian fields.

Typical volunteers are therefore in their late twenties or early thirties, skilled and employed in Britain. They go for a minimum of two years as part of the British aid programme, earning local rates of pay which are usually minimal. That is the catch. The local rates of pay are usually so low as to fall below the £1,768 a year minimum earnings limit for British Class I National Insurance contributions. As a result they lose their entitlement to unemployment and sickness benefit when they return to Britain. As it is inevitable that many volunteers will return home with no money and no job, they have to apply for benefits. All, including supplementary benefit, are often refused, leaving them penniless.

Rising unemployment makes it all the harder to re-enter employment and this, coupled with a ruling which makes re-destination possible on return, could deter both employed and unemployed people from volunteering for service overseas in the future.

A typical case in point is Christopher Pyke of Wokingham, who has returned to Britain after four years as a VSO social worker at a boys' rehabilitation unit in Dominica. He was paid the local rate of pay (£8) the week before he left Dominica and on arriving home was told by the local Department of Health and Social Security office that he was ineligible for all benefits including supplementary benefit. His appeal was turned down.

When VSO officers tackled Dr Rhodes Boyson, Social Services Minister, about the special plight of this small proportion of the community, he refused to help on the grounds that allowing VSO volunteers below the minimum earnings limit to pay Class I contributions, as the scheme is not wholly self-financing at the lower levels of contribution, the costs would exceed such a concession over the life of the scheme.

This is the sort of problem which arises from institutionalised inflexibility and which ministers would jump to sort out if it affected a large or powerful group of people. During the recess Mr Timothy Raison, Overseas Development Minister, and Dr Boyson should try to find a way out of inflicting unemployment hardship on a small group of people. They could start by considering the VSO's own suggestion; distinguish between part-time and full-time workers and allow only full-time workers (out of all them) in the UK to pay Class I contributions following the precedent of a concession to volunteers overseas. The real net cost would then be very small, since only a tiny handful of full-time employees can be earning less than £1,768.

Accounting for inflation

From: Mr W. Nixon

Sir,—Michael Prowse's article on inflation accounting, "Time to stop the fudging" (August 3), makes several criticisms of ED 35 and proposes an alternative method based on the proprietary concept of business incomes.

His argument is correct in three important respects. It is totally illogical to maintain that current cost information is essential to a "true and fair view" account but not to a "true and fair view" balance sheet. Any successful inflation accounting proposals must be preceded by the resolution of the entity versus proprietary income measurement issue. ED 35 deserves criticism not just for its failure to address the audit fringe that opposes all improvements in financial reporting.

Michael Prowse is wrong however, to argue that a proprietary measure of business income, which calculates the purchasing power of shareholders' equity and ignores the need for current valuations of real assets, is the answer to the inflation accounting problems. Such an argument makes the fundamental error of assuming that there is a single, universally applicable, method of measuring income that is consistent, in all instances, with the primary reporting requirements "to give a true and fair view" of a company's results. His approach underestimates the very real differences in both

Letters to the Editor

the nature of businesses and their operating environments. It is one thing to state that the effects of changing prices on a company's operations must be calculated and disclosed in order that the accounts should give "a true and fair view"; it is quite a different matter to require that the effects of changing prices on a business should be measured in specified ways. This search for a one best solution has plagued the entire debate on inflation accounting. Any attempt to impose one or even, as in the United States, two specific methods of accounting for changing prices upon all public companies is likely to render "a true and fair view" completely meaningless or to result in widespread non-compliance. Either way the accounting profession will suffer.

Wm. A. J. Nixon, Department of Accountancy and Business Finance, The University, Dundee.

Holly goes to Hollywood

From Ms K. Harris

Sir,—On reading the FT of August 11 I was surprised to see the caption under the photo-

graph of Frankie Goes To Hollywood. As anybody who knows about these things will know, there is no such person as a company's chairman. The person to whom you drew attention is Holly Johnson. In these circumstances I have had to warn my father that other articles may not be as accurate as he believed!

Katherine Harris, (Aged 13 years.) Beechwood, 61 Hitchens Hatch Lane, Sevenoaks, Kent.

Subsidiaries and parents

From the Chairman, Boxfoldia

Sir,—A parent company can determine the policy of a subsidiary; can influence its operations; if not actually direct them; and can in fact if it is so inclined, "cream off" its assets or operate in such a way that it sells its services or products at a highly inflated price to the subsidiary, or buys at a grossly devalued price what it buys from the company; and can put it into bankruptcy and

leave the creditors of the company without recourse to itself or any other body for payment of the subsidiary's debts.

This seems to me to be one of the most inequitable situations in our current law. It appears to be totally ignored in the current White Paper, if not in the letters I have read are to be believed, and yet it may be one of the worst abuses of company limited liability.

The Bill gives a period of three months before it becomes necessary to call a meeting of unsecured creditors. A great deal can happen in three months. The moment a Receiver is appointed under a floating charge, or by any other secured creditors, he should, under law, be under an obligation to call a meeting of the whole of the creditors so that he, and they, may understand the whole situation.

While under law it is not possible for unsecured creditors to over-ride or replace the secured creditors, at least the secured creditors should not be in a position to dispose of assets at a figure which may be much below their market value in order to satisfy these secured creditors, leaving the unsecured creditors with nothing or a minimal figure to meet their claim.

Law in this country is supposed to be based upon justice to individuals and to corporations, and it is necessary that this aspect should be heavily underlined.

(Dr) Beryl Foyle, Boxfoldia, Bournebrook, Birmingham.

Effects on employment of change in minimum wage rates

From Professor S. Dennison

Sir,—The claim by the director of the Low Pay Unit (August 3) that Winston Churchill's verbiage of 1909 "led to real" anything of significance greatly exaggerates that statesman's contribution to understanding of economic processes. It is simply an embellishment of the oft-repeated contention that minimum wage legislation is necessary to ensure "fair competition" by protecting the "efficient" against wage-cutting "inefficient" employers. It is essentially specious, as shown in the paper by Dr David Forrest and myself, which Mr Pond considers to be a "museum piece".

It is undoubted that some people, employers as well as workers, gain from minimum wages. Again this is meticulously considered by Dr Forrest. The gains of the few are outweighed by the greater losses of the many. Efficient firms are restricted, new firms find it more difficult to get going (especially important for small businesses), potential workers are at the present time especially

juveniles—cannot get jobs or are forced into unregulated lower-paid work, consumers have to pay higher prices with consequent restriction of demand and output, and stagnation becomes substituted for "stability".

Mr Pond states that "an analysis by the unit shows that, even on the assumptions built into the Treasury economic model, the complete abolition of wages councils... could be expected to create at most 8,000 jobs over five years." Even this is a damaging admission, as it is fundamental to the Low Pay Unit's various arguments that wage cutting cannot create any jobs, but rather destroys them.

The clause "even on the assumptions of the model" is entirely in terms of the model, and there is no other attempt to evaluate the effects. Essentially, however, it is meaningless, a case of garbage in garbage out.

The effect on employment of the abolition of the Councils would depend on the magnitudes of changes in hundreds of wage-rates of 3m workers—

In thousands of firms in a wide range of trades with differing market conditions—five years ahead, when there will have been considerable changes in the patterns of employment in the wages councils trades as elsewhere. There are no means by which these can be predicted. Broad assumptions based, for example, on existing relationships between average earnings in different trades are useless. A better, but still imperfect, indicator is to use the various econometric studies of minimum wages to show the estimated effects on employment of given percentage changes in minimum rates.

This prompts the general reflection that macro-economic analysis of aggregates is not an appropriate instrument for the understanding of the micro-economic processes of the market for individual goods and services.

Mr Pond's imaginative description of employers "always looking over their shoulders" in case rivals are cutting wages, and needing "stability" in order to plan, must apply to every form of competition, including prices. Of course many firms dislike competition, and would willingly opt for a quiet life in order to pursue their untroubled existence, cocooned in security. This is

not the sort of problem which arises from institutionalised inflexibility and which ministers would jump to sort out if it affected a large or powerful group of people. During the recess Mr Timothy Raison, Overseas Development Minister, and Dr Boyson should try to find a way out of inflicting unemployment hardship on a small group of people. They could start by considering the VSO's own suggestion; distinguish between part-time and full-time workers and allow only full-time workers (out of all them) in the UK to pay Class I contributions following the precedent of a concession to volunteers overseas. The real net cost would then be very small, since only a tiny handful of full-time employees can be earning less than £1,768.

Lombard Helping out the volunteers

By Robin Pauley

EVERY YEAR around 1,000 men and women leave their homes and jobs in Britain, with the full backing and support of the British Government, to work for two years or more in areas of acute need under the British Volunteer Programme. When they return, many face extreme financial hardship through an over-stringent interpretation of a bureaucrat's rule governing unemployment and sickness benefit which clearly needs changing.

The volunteer programme is made up of four voluntary agencies all enthusiastically and financially supported by the Government through the Overseas Development Administration. They are the Voluntary Service Overseas (VSO), the Catholic Institute for International Relations (CIIR), International Voluntary Services (IVS), and the United National Association International Service (UNAIS).

One of the days when VSO was a worthwhile and exciting way of filling in a year or two before or after university. Third World needs are now much more advanced and require people with experience in technological, medical, social, scientific and agrarian fields. Typical volunteers are therefore in their late twenties or early thirties, skilled and employed in Britain. They go for a minimum of two years as part of the British aid programme, earning local rates of pay which are usually minimal. That is the catch. The local rates of pay are usually so low as to fall below the £1,768 a year minimum earnings limit for British Class I National Insurance contributions. As a result they lose their entitlement to unemployment and sickness benefit when they return to Britain. As it is inevitable that many volunteers will return home with no money and no job, they have to apply for benefits. All, including supplementary benefit, are often refused, leaving them penniless.

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SECTION II - COMPANIES AND MARKETS
FINANCIAL TIMES

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WALL STREET
Predominant pressures are negative

THE LATEST set of U.S. economic data, on industrial output, indicated continued buoyancy and emerged yesterday a shade higher than expected on Wall Street. Amid concern over the implications for interest rates, financial markets resumed a downward trend, writes Terry Byland in New York.

At 3pm the Dow Jones industrial average was down 7.95 at 1,206.18.

Further nervous buying developed in three-month Treasury bills as the money market scrutinized the news from the meeting at Financial Corporation of America (FCA) in Los Angeles. Stock in FCA was suspended before the market opened, at the overnight price of \$77, barely above the all-time low.

FCA was traded in the third market following the company's restatement of profits, and 400,000 shares changed hands there at a new low of \$54.

American Express, in which FCA holds an estimated 4.9 per cent stake, slid an early \$14 to \$31 in active dealings. It has also attracted adverse comment in the investment press.

Further indication of tension in the short end of the credit market came

when the Federal Reserve again drained funds by means of matched sales, for overnight, announced when the federal funds rate was at 11 1/2 per cent. On Tuesday, the Fed made two-day matched sales with the funds at 11%.

The bond market's fears of a renewed rise in interest rates, reawakened by the industrial production statistics, brought losses at the long end ranging to half a point or so. The market was cautious ahead of a press conference today by Mr. Donald Regan, the Treasury Secretary, on the thorny question of foreign bond sales.

IBM sustained the stock market's underlying confidence with a gain of 5/8 to \$121 1/4, but most of the other blue chips showed minor falls. General Motors, amid the Detroit wage negotiations, eased 5/8 to \$74 1/4.

General Electric dipped 5/8 to \$57 1/4. Among the pharmaceuticals, Merck moved 5/8 lower to \$89 1/4. Airline issues, however, looked steadier. AMR at \$27 1/4 gained 5/8.

Disappointing results from the major retail stores depressed the sector. Sears Roebuck at \$35 1/4 lost 3/4, Allied Stores shed 5/8 to \$46, while Federated Department Stores at \$50 1/4 was 1/4 off. With the market still digesting the second quarter trading result from J.C. Penney, it gave up 5/8 to \$50 1/4.

Technology issues were generally weaker, with Wang Laboratories down \$1 to \$28 1/4 on the American Stock Exchange on fears that the new IBM computer will prove strongly competitive. Xerox also weakened, dipping 5/8 to \$38 1/4. Texas Instruments at \$139 1/4 held steady at overnight levels, however.

TOKYO
Electricals spark surge of strength

A SHARP rally was staged by Tokyo stocks yesterday amid active trading in small and medium-capital electricals and precision instruments, writes Shigeo Mitsuaki of Jiji Press.

The Nikkei-Dow average added 80.58 to 10,441.50 on volume up from 165.41m shares the previous day but still low at 218.59m. Gains outpaced losses 411 to 234, with 189 issues unchanged.

Prices soared amid thin sell orders. Electronics-related issues were bought, with investors favouring their business diversification and improving performance. Kyushu Matsushita Electric shot up Y310 to Y3,780, and Tohoku Metal Y190 to Y1,720. Toyo Denki also added Y60 to Y1,530.

Trust management companies purchased these stocks in small lots, stimulating buying interest among investors. Nikko Investment Management bought Kyushu Matsushita, Alps Electric and Tohoku Metal in lots of 20,000 to 30,000 shares each.

Pacific Metals drew speculator interest and advanced Y7 to Y498, topping the list of active stocks with 7.33m shares changing hands. Placed second was Kuraba Chemical with 6.45m. It gained Y20 to Y1,170. Toshiba, which rose Y8 to Y418, topped the list.

Yokogawa Hokushin Electric also jumped Y60 to Y1,000, reflecting active receipts of orders. Nippon Gakki, which is expanding semi-conductor operations, finished Y100 higher at Y775.

Stockbrokers at leading securities houses said investor interest was shifting from biotechnology to electronics.

The dealing sections of major brokerage houses stepped up purchases of some internationally known blue chips in the afternoon, apparently anticipating a rise on Wall Street later yesterday

and renewed Tokyo buying in consequence. Hitachi added Y11 to Y872, NEC Y40 to Y1,300 and Fuji Photo Film Y20 to Y1,750.

As the yen appreciated sharply against the U.S. dollar, city, trust and long-term credit banks placed buy orders on the bond market, injecting new life after many dull sessions. But investors still remained cautious, and sell orders were also active. The yield on the barometer 7.5 per cent government bonds maturing in January 1983 dipped from 7.26 per cent to 7.25 per cent.

EUROPE
Movements kept to a minimum

TRADING levels on the European bourses which remained open yesterday were depleted by the closure of nearly half the Continental financial centres for the Assumption holiday, and the session's most evident feature was a reluctance to make any major shifts in stance.

The follow-through from Tuesday's flurry of late buying was divergent. Dutch shares generally succumbed to light profit-taking, West Germans oscillated either side of overnight levels, and Swiss blue chips found some further gains.

As Amsterdam drifted lower through the day, Hoogovens again stood out with a F1.50 gain to F1 54.50, making a two-day rise of F1 8.80 accompanying its results.

The other two of Tuesday's corporate reporters showed declines in line with the market, though: Unilever shed F1 1.50 to F1 266, and Akzo a sharper F1 1.60 to F1 90.

Domestic bonds edged up 10 to 20 basis points.

A firm Frankfurt opening gave way to mid-session weakness as orders dried up, but the late tone was somewhat brighter.

Steels were in favour, allowing Thyssen a rise of DM 2.20 to DM 78.70, but car makers were on the weak side - Daimler-Benz and Porsche dipped DM 3 apiece to a respective DM 549 and DM 983.

Banks were also dull, with Commerzbank off DM 1 at DM 151.50, and retailer Horten extended losses by DM 2 at DM 166 for a three-day setback of DM 15. Gross national product figures, highlighting the impact of the engineering industry strikes, came after the close.

A moderately active bond market pro-

duced gains of up to 1/4 point but averaging 30 basis points, allowing the Bundesbank to sell DM 91.3m in paper.

Scattered foreign demand in Zurich favoured Ciba-Geigy - SwFr 5 firmer at SwFr 2,430 while Sandor slipped SwFr 25 to SwFr 7,125 - as well as Nestle which put on SwFr 10 to SwFr 5,500, returning to its year's peak.

Banks held steady, as did the bond market.

Astra held out against a lower Stockholm trend with a SKr 25 to SKr 465 - up SKr 45 on the week so far. SKF held unaltered amid its nearly doubled profits.

Banks did best in Copenhagen as draft budget plans were unveiled, but Oslo drifted lower.

LONDON

THE PROSPECT of a national dock strike soured London equities and gilt after early firmness yesterday on the hopes of lower interest rates. The FT Industrial Ordinary index, initially up about 2 points, finished 8.0 down at 841.6, thus erasing most of the previous session's gain.

Long-dated gilts ended 1/2 down after showing gains of 1/4, while shorts sustained falls of 1/4.

Leading industrials were often neglected but then suffered from a bout of nerves, with index constituent Grand Metropolitan down 16p at 302p, contributing to the indicator's loss.

BSR was 2 1/2 off at 16 1/2 while ICI, a recent U.S. favourite, shed 6p to 596p. NatWest continued weaker, 16p lower at 467p.

Chief price changes, Page 22; Details, Page 23; Share information service, Pages 24-25.

SOUTH AFRICA

MOST MINING shares ran out of steam in Johannesburg as the bullion price slipped.

Free State Geduld was 10 cents off at R50, and Driefontein eased 25 cents to R48.25. Mining financials saw Anglo American retreat 25 cents to R227.5.

Industrials continued to advance with Barlow Rand 10 cents up at R 12.10 and tobacco group Rembrandt extending Tuesday's rise by 25 cents to R27.25.

KEY MARKET MONITORS

STOCK MARKET INDICES	Aug 15	Previous	Year ago
NEW YORK			
DJ Industrials	1206.18	1214.11	1193.50
DJ Transport	516.43	517.93	534.51
FT-A All-share	128.39	128.28	128.90
S&P Composite	163.43	164.43	163.71
LONDON			
FT Ind Ord	841.6	849.8	736.0
FT-SE 100	1092.9	1091.9	897.1
FT-A All-share	511.08	512.23	464.37
FT-A 500	554.94	556.38	503.98
FT Gold mines	560.7	568.0	697.7
FT-A Long gilt	10.48	10.41	10.71
TOKYO			
Nikkei-Dow	10,441.50	10,360.92	9,020.3
Tokyo SE	805.87	800.84	689.01
AUSTRALIA			
All Ord.	735.1	727.8	673.4
Metals & Mins.	472.1	464.8	583.5
AUSTRIA			
Credit Aktien	closed	53.57	55.36
BELGIUM			
Belgian SE	closed	150.79	130.01
CANADA			
Toronto	1,589.4	1,591.54	-
Metals & Mins	2,332.6	2,337.45	2,412.70
Montreal	115.38	115.60	117.66
DENMARK			
Copenhagen SE	196.00	195.88	168.09
FRANCE			
CAC Gen	closed	182.7	181.2
Ind. Tendebiz	closed	105.2	83.3
WEST GERMANY			
FAZ-Aktien	339.92	339.65	321.31
Commerzbank	985.5	984.4	958.3
HONG KONG			
Hang Seng	918.89	904.61	1,047.24
ITALY			
Borsa Comm.	closed	218.16	197.32
NETHERLANDS			
ANP-CBS Gen	161.1	161.2	141.1
ANP-CBS Ind.	129.0	129.4	113.5
NORWAY			
Oslo SE	260.17	262.14	205.79
SINGAPORE			
Straits Times	962.35	954.16	945.01
SOUTH AFRICA			
Gold	974.0	977.2	915.4
Industrials	895.3	889.9	922.2
SPAIN			
Madrid SE	closed	135.26	118.07
SWEDEN			
J & P	1,515.67	1,517.08	1,502.68
SWITZERLAND			
Swiss Bank Ind.	378.3	376.8	344.4
WORLD			
Aug 14	Rev.	Year ago	
Capital Int'l	182.3	182.2	174.3

GOLD (per ounce)			
	Aug 15	Prev	Year ago
London	\$352.00	\$354.75	
Frankfurt	\$351.00	\$354.00	
Zurich	\$351.25	\$353.575	
Paris (Baring)	closed	\$347.65	
Luxembourg (Baring)	closed	\$348.50	
New York (Aug.)	\$354.10	\$355.00	

All of these securities having been sold, this announcement appears as a matter of record only.

\$150,000,000

American Express Credit Corporation

12.85% Senior Notes Due August 1, 1986

Lehman Brothers
Shearson Lehman/American Express Inc.

Goldman, Sachs & Co.

Morgan Stanley & Co.
Incorporated

Salomon Brothers Inc

August, 1984

SANYO ELECTRIC CO. LTD.
Curacao Depository Receipts of ordinary shares

The undersigned, acting as duly authorized Agent of Cameth Administration Company N.V., announce that the above mentioned company has made an interim dividend distribution of Yen 3.50 per share in cash for the financial year ending 30th November 1984. Effective 20th August 1984, this dividend will be payable, after deduction of 20% Japanese tax, on the coupons no.32 of the depository receipts as follows:

\$ 5.70 per CDR of 10 depository shares of 50 ord. shares
\$11.40 per CDR of 20 depository shares of 50 ord. shares
\$57. - per CDR of 100 depository shares of 50 ord. shares

Residents of countries which have concluded a tax treaty with Japan, may, only afterwards, claim a 5% tax refund in Japan. The coupons no.32 may be presented in:

LONDON to The Sumitomo Bank Ltd., Temple Court, 11 Queen Victoria Street, LONDON EC4N 4TR.
HAMBURG to Bank Mees & Hope NV, Pelzerstrasse 2, 20090 Hamburg.
PARIS to Banque de l'Union Europeenne, 4 Rue Caillou, 75 PARIS 2e.
to Morgan Guaranty Trust Company of New York, 23 Wall Street, New York, N.Y.10015.
AMSTERDAM to Bank Mees & Hope NV, Herengracht 548.

Amsterdam, 10th August 1984. BANK MEES & HOPE NV

SYDKRAFT
SYDVENSKA KRAFTAKTIEBOLAGET
US \$15,000,000 9 1/4% Bonds 1986

HAMBROS BANK LIMITED hereby gives notice that in accordance with the terms and conditions of the above loan, the redemption for 15th September 1984 has been effected by the purchase of US \$2,610,000 (nominal) and the under-mentioned bonds amounting to US \$390,000 (nominal) were drawn on 10th August 1984 for redemption in par.

The outstanding balance after the 15th September 1984 redemption is US \$6,000,000 (nominal). The drawn bonds may be presented to Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA or to the other Paying Agents named on the bonds.

Bonds surrendered should have attached all unmaturing coupons appurtenant thereto. Coupons due 15th September 1984 should be detached and collected in the usual manner.

For payment in London, bonds will be received on any business day and must be left three clear days for examination.

Bond of US \$1,000											
	1	2	3	4	5	6	7	8	9	10	11
1	200	117	1030	6623	7927	7927	7927	7927	7927	7927	7927
2	100	114	2023	6920	1105	8028	8653	8155	8155	10219	15117
3	84	644	1113	2182	6823	7116	6940	8568	8156	10634	12145
4	138	710	1207	2188	6448	7179	8126	8658	8163	10598	12119
5	174	711	1208	2214	6442	7179	8126	8658	8163	10597	12118
6	187	719	1228	2208	6446	7211	8161	8718	8125	10606	12105
7	215	728	1322	2821	6716	7282	8179	8668	8225	10611	12105
8	214	728	1299	2818	6702	7236	8174	8628	8225	10612	12104
9	217	748	1458	2840	6711	7237	8159	8649	8225	10610	12104
10	295	750	1464	2888	6754	7415	8200	8675	8289	10618	12101
11	318	752	1467	2959	6756	7419	8201	8676	8289	10615	12101
12	321	785	1468	2871	6779	7486	8231	8701	8318	10616	12101
13	320	785	1468	2894	6780	7523	8231	8706	8318	10617	12101
14	362	788	1521	2959	6786	7524	8231	8706	8318	10615	12101
15	363	797	1542	2959	6881	7530	8315	8788	8315	10617	12101
16	371	806	1546	4002	6822	7526	8333	8812	8315	10616	12101
17	436	846	1552	4039	6844	7578	8338	8811	8315	10611	12101
18	443	846	1558	4073	6857	7588	8338	8811	8315	10611	12101
19	448	859	1580	4081	6891	7683	8340	8811	8314	10611	12101
20	460	852	1785	4863	6983	7810	8413	8875	8319	10619	12101
21	470	1010	1277	4186	6919	7918	8420	8816	8323	10615	12101
22	482	1061	1142	4111	6962	7922	8426	8816	8323	10615	12101
23	489	1069	1151	4127	6986	7945	8426	8816	8323	10615	12101
24	492	1083	1165	4098	7064	7960	8451	8816	8323	10615	12101
25	537	1114	1207	4541	7078	7982	8594	8912	8362	10624	12101

HAMBROS BANK LIMITED
16th August 1984

VONTOBEL EUROBONDINDIZES
WEIGHTED AVERAGE YIELDS
PER 7 AUGUST 1984

	Today	INdex	%	Year's
		Last week	High	Low
US\$ Eurobonds	12.25	12.42	12.58	11.82
DM (Foreign Bond Issues)	7.78	7.82	7.90	7.14
DM (Bearer Notes)	7.84	7.89	8.11	7.54
Canada Eurobonds	13.50	13.57	13.56	12.90

Bank J. Vontobel & Co. Ltd., Zurich - Tel: 010 411 488 7711

INTERNATIONAL COMPANIES and FINANCE

Return to profit for Brazilian steelmaker

By Andrew Whitley in Rio de Janeiro

MANNESMANN SA, the 75 per cent owned subsidiary of the major West German engineering concern and Brazil's leading producer of steel pipes, has reported a strong return to profit in the first half, after substantial losses last year.

On the basis of the return to profitability, Mannesmann SA, which had a turnover equivalent to over \$1.5bn in the first six months, is to seek a doubling of its capital, to cruzeiros 260bn (\$130m at the current exchange rate).

First half net profits were Cr 67.5bn compared with a loss of Cr 13.6bn in the same period last year. The company ascribed the turnaround to a combination of higher sales, better productivity and reduced financial costs - a heavy burden in 1983.

Net revenue between January and June was Cr 207bn, a 454 per cent rise in nominal terms and a real increase of over 100 per cent, after allowing for inflation over the 12 months. Exports, up by 37.5 per cent to \$90m, made a significant contribution to the results.

Domestic sales jumped by nearly a third during the period despite the continuing weak market for capital goods.

Herr Peter Schmidthals, president, said the planned capital increase would be used to finance the company's investment programme.

This calls for \$130m to be spent by 1988 on the expansion of the tubes production line and on quality improvements.

U.S. retail store groups report mixed returns

BY DAVID BLACKWELL IN NEW YORK

FEDERATED Department Stores, the U.S. department store chain which owns Bloomingdale's in New York, reported a 13.7 per cent decline in second-quarter net earnings. They fell from \$40.6m or 83 cents a share to \$35m or 72 cents a share.

First-half net earnings fell by 15.3 per cent from \$83.6m or \$1.72 a share to \$70.8m or \$1.46.

Revenues, however, increased from \$1.9bn to \$2.09bn in the quarter and from \$3.74bn to \$4.14bn in the half year.

May Department Stores, based at St Louis, announced record net

earnings of \$37m or \$1.29 a share for the second quarter. This took first-half earnings to \$84.5m or 2.24 a share, also a record.

The comparable figures last year were earnings of \$31m or \$1.07 a share in the quarter, and \$51.2m or \$1.77 a share in the half.

Revenues rose by 13.7 per cent in the quarter from \$907.5m to \$1.03bn and by 14.1 per cent from \$1.75bn to \$1.99bn in the half.

Associated Dry Goods, a major U.S. stores group, earned \$16.4m or 92 cents a share in the second quarter, against \$17.4m or 87 cents last time, on revenues of \$928.6m,

against \$32.6m. For the first half earnings were \$23.5m or \$1.18 a share, against \$20.6m or \$1.09 a share on revenues of \$1.75bn against \$1.53bn.

Anderson Clayton, the diversified U.S. foods group, almost doubled both fourth-quarter and full-year net profit. For the quarter, earnings rose from \$3.86m or 31 cents a share to \$7.16m or 58 cents a share, and for the full year from \$21.66m or \$1.75 a share to \$38.5m or \$3.11.

Revenues for the quarter increased from \$331m to \$410.6m, and from \$1.42bn to \$1.55bn for the year.

Houston Industries improves

By Our New York Staff

HOUSTON INDUSTRIES, the Texas utility and parent company of Houston Lighting and Power, reported fourth-quarter earnings of \$115m. Earnings per share rose by 17 cents to \$1.22.

The group attributed the quarter's increase to increased energy sales.

For the year, earnings were \$352m, up by 216 per cent on the previous year, when the group took an after tax write-off of \$166m on its Adams Creek nuclear project. Earnings per share rose by \$2.46 to \$3.82. Excluding the write-off, earnings per share last time would have been \$3.42.

New chief for paper group

By William Hall in New York

MR JOHN A. GEORGES has been appointed chief executive of International Paper, the world's largest paper company, and is expected to take over as chairman when Dr Ed-ward Geer retires next April.

Mr Georges, 53, is president and chief operating officer. He spent the bulk of his career at Du Pont, the U.S. chemicals group, until he joined International Paper in 1979, a few months after Dr Geer was recruited from Du Pont.

Higher income for Sea Containers

BY DAVID BLACKWELL IN NEW YORK

SEA CONTAINERS, the Bermuda-based container leasing and shipping group which bought Sealink UK for \$500m (\$87m) last month, reported both a strong second quarter and first half.

Earnings for the quarter reached \$11.6m or 82 cents a share on revenues of \$46m. This compares with \$8.1m or 46 cents a share last time, on revenues of \$34.5m.

The latest result includes a \$287,000 gain from the sale of container assets, compared with a \$314,000 loss from a similar sale last time.

First-half earnings rose from

\$17.6m or \$1.06 a share to \$28.2m or \$2.14. Revenues increased from \$68.4m to \$96.4m.

A gain of \$6.57m from the sale of container assets in the latest half compares with a loss of \$331,000 from a similar sale last time.

Mr James B. Sherwood, chairman, said an earlier forecast of group profits this year reaching between \$50m and \$55m appeared possible from container asset leasing alone. It could be exceeded with the help of Sealink's earnings, which would be included from July 27.

Lufthansa buys major stake in Penta Hotels

BY ARTHUR SANCLIES IN LONDON

LUFTHANSA, the West German airline, has bought much of British Airways' holding in Penta Hotels, thus becoming the majority shareholder in the group.

The move, which gives Lufthansa a 62.27 per cent holding in Penta, is in line with BA's streamlining campaign in the run-up to its sale to the private sector. BA has sold Lufthansa 23.16 per cent of Penta stock for an undisclosed sum. Trade reports suggest a figure between £2m and £3m (\$2.6m-\$3.3m).

Penta Hotels is based in Amsterdam and operates via management

or franchise 16 hotels worldwide with a 17th under construction. When first conceived in the 1960s the name Penta was derived from its origin as a co-operative venture of five European airlines. The plan was to build hotels to rival TWA's Hilton chain and what was then Pan American's InterContinental Hotels (now owned by Grand Metropolitan).

The other airlines have gradually dropped out but Swissair still has 16.86 per cent and BA retains an 0.98 per cent stake.

Australian property group lifts earnings

SYDNEY - Lend Lease Corporation, the Australian property group, has reported a net profit for the year ended June 30 of A\$41.5m (U.S.\$35m), compared with A\$30.6m the year before.

Lend Lease also announced a scrip issue to shareholders on a one-for-10 basis.

In addition, the annual dividend has been boosted to 22.5 cents a share from 17.5 cents. Group revenues rose by 3 per cent to A\$533m from A\$516m.

The directors have also proposed an employee share plan to issue 2.5 per cent of the group's capital to staff over five years. Lend Lease employees already own 14 per cent of the company directly and indirectly.

The directors said all divisions of the company contributed to the profit increase and they expect another increase in profit in 1984-85.

The group expects to maintain its 22.5 cent annual dividend on the enlarged capital - up to 95.45m shares from 68.76m. Agencies.

Investors oppose Disney bid

By Paul Taylor in New York

MR IRWIN JACOBS, the Minneapolis-based investor, claimed last week that his shareholder group has enough support to force Walt Disney Productions to call a special shareholders meeting to vote on Disney's planned \$310m acquisition of Gibson Greetings.

Mr Jacobs, whose investor group is Disney's largest single shareholder with a 6.3 per cent stake, planned to issue the request yesterday.

Under California law a company must hold a special shareholder meeting if requested by shareholders representing at least 10 per cent of stock.

The Jacobs-led group maintains that the Gibson deal - set up when Disney was fighting off the unwelcome attentions of Mr Saul Steinberg - is a waste of Disney resources.

Earlier Mr Jacobs said a court hearing has been set for next Monday on his bid to block the deal.

Marine breaks off Equimark talks

By Our New York Staff

MARINE MIDLAND, the big U.S. bank majority-owned by the Hongkong and Shanghai Banking Corporation, confirmed yesterday that it has discussed taking a stake of up to 25 per cent in Equimark, the troubled Pittsburgh bank, but said that talks had broken off.

Equimark, which earlier this week reported a \$29.5m second quarter loss ranks as one of the most troubled banks in the U.S.

GULF BANK HIT BY SOUK LINK

BIB suffers \$9m loss

BY MARY FRINGS IN BAHRAIN

THE DELAYED 1983 report of Bahrain International Bank (BIB) shows a loss of just over \$9m compared with a profit of \$24.9m in 1982, the year of its establishment as a Gulf-owned public shareholding company with paid-up capital of \$180m.

The bank has been marking time since its inception, partly as a result of staffing problems - the first general manager resigned after six months and another senior executive left earlier this year - and partly because of its involvement in Kuwait's Souk al Manakh, the unofficial stock market which collapsed in autumn 1983. Its loss provision of \$22m is the outcome of this involvement.

Part of BIB's capital was invested in the stockmarket before management was in place and was transferred later into a loan to Kuwait and Bahrain Development Company (KBDC), a Kuwaiti limited liability company owned by certain of BIB's directors. About \$31m of this loan was outstanding at the end of 1982. During 1983 the bank placed the loan on a cash basis and no income on it has been recognised in the year. The year-end balance in BIB's books of \$23m reflects all payments received from KBDC.

The 1983 year-end accounts of KBDC show a loan due to BIB of \$28.5m.

During 1983 KBDC received a loan from a Kuwaiti bank, the balance of which was \$37.5m at year-end. BIB purchased a \$37m certificate of deposit from the Kuwaiti bank, which it then pledged as security for this Kuwaiti loan.

The expected proceeds from

KBDC's liquidation, which will come from the sale of shares held by the company and from settlement of amounts due from debtors who have provided KBDC with post-dated cheques, will be insufficient to repay the balance on BIB's loan, and to indemnify the bank against the cost of the pledge arrangement with the Kuwaiti bank.

BIB's loan loss provision of \$22m, together with a \$1.5m payment from KBDC on April 1 this year, has wiped the loss off the books.

BIB has emerged from this trauma with its capital intact and total assets of \$208m, compared with \$206m at the end of 1982. But the directors' report says "It will be some time before a new banking entity is able to develop a base of core deposits."

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Modest increase in profits for Bahrain offshore banks

BY OUR BAHRAIN CORRESPONDENT

INTERIM RESULTS from Bahrain's major offshore banking units (OBUs) show modest profits growth, despite what many of them describe as difficult operating conditions.

Gulf International Bank (GIB) reported net earnings of \$31.7m compared with \$28.1m for the first half of 1983 and \$37.5m at year-end. Mr Sultan Al-Suwaidi, who was appointed general manager earlier this year in succession to Dr Khalid Al-Fayez, said that the results reflected a higher contribution from the merchant banking group and a reduced rate of growth in operating costs.

However, assets (excluding contra items) contracted by almost 7 per cent from the December figure of \$7,437m to \$6,922m, while loans were reduced from \$4,059m to \$3,972m. GIB gives no details of

loan loss provisions. Arab Banking Corporation (ABC), the biggest of the OBUs headquartered in Bahrain, is expected to release its figures this week, incorporating its latest acquisition, Banco Atlantico.

Meanwhile, Arabank International (the parent company of Arab Latin American Bank), which is chaired by Mr Abdullah Saoud, ABC's president and chief executive, looks set for a marked improvement on its 1983 performance. Compared with last year's net earnings of \$17.3m, Arabank reported profits of \$13.67m for the first half of 1984, 69.5 per cent up on the result for the comparable period of 1983.

The two leading domestic banks, which both have OBUs and overseas branches, also reported slightly higher consolidated earnings. National Bank of Bahrain (NBB) made \$18.5m compared with \$16.5m in the comparable six-month period, and Bank of Bahrain and Kuwait (BBK) made \$18.7m against \$18.01m.

NBB's assets have risen from \$1,492bn to \$1,728bn since December, while loans have increased from \$566m to \$611m. The bank said it had held down lending rates in order not to overburden an already depressed market, and cited this as one of the main reasons for the fact that income growth had not kept pace with the increase in assets.

Kuwait Asia Bank, which was established in 1981, has continued to grow strongly. Its mid-year profit of \$4.5m is 114 per cent up on the first half of 1983. Assets increased by 42 per cent to \$548.8m and loans by 24 per cent to \$182.2m over the 12-month period.

Lugano-based bank sold to Arab group

By Terry Povey in London

BANK ALMASHREK, the Beirut-based bank owned by the governments of Kuwait, Lebanon and Qatar with a substantial minority holding by Morgan Guaranty Trust of New York, has bought Banca di Participazioni ed Investimenti (BPI) of Lugano, Switzerland.

The Lebanese bank purchased BPI from a group of Swiss shareholders for an undisclosed sum. BPI is one of the smaller Swiss banks with a paid up capital of SwFr 5m. However, as part of the purchase arrangements Bank AlMashrek has raised the capital to SwFr 20m.

Mr Bruce Lightman, who has been appointed as general manager of BPI by the new board said yesterday that the main activities of the Swiss bank were concerned with fund management for private clients.

\$250,000,000

J.P. Morgan International Finance NV


Guaranteed Floating Rate Subordinated Notes Due 1997

For the three months 16 August, 1984 to 16 November, 1984 the Notes will carry an interest rate of 12 1/8 per cent per annum.

Interest payable on the relevant interest payment dates 16 November, 1984 against Coupon No. 70 will be £25,000,000.

By: CITIBANK N.A. London
Agents Bank

Weekly net asset value

 **Tokyo Pacific Holdings (Seaboard) N.V.**

on August 13th, 1984 U.S.\$90.88

Listed on the Amsterdam Stock Exchange

Information: Persson, Holding & Persson N.V.
Herengracht 214, 1016 BS Amsterdam.

This announcement appears as a matter of record only.


July, 1984

US \$100,000,000

Commercial Paper Program and Revolving Credit Facility

for

Heron International Finance, Inc.
a subsidiary of



Heron International PLC

Irrevocable Letter of Credit issued by

Barclays Bank International Limited
New York Branch

Participants


Bank of Montreal	Midland Bank plc
Canadian Imperial Bank Group	Lloyds Bank International Limited
National Westminster Bank PLC	RepublicBank Dallas, N.A.
The Royal Bank of Canada	

Commercial Paper Dealer

Salomon Brothers Inc

Arranged by


Barclays Bank Group



This advertisement complies with the requirements of the Council of The Stock Exchange.

U.S. \$75,000,000

Christiania Bank og Kreditkasse
(Incorporated in the Kingdom of Norway with limited liability)



Floating Rate Subordinated Notes Due 1994

The following have agreed to subscribe or procure subscribers for the Notes:

Credit Suisse First Boston Limited	PK Christiania Bank (UK) Limited
Algemene Bank Nederland N.V.	Bank of China
Bergan Bank A/S	Barclays Merchant Bank Limited
Deutsche Bank Aktiengesellschaft	Citicorp International Bank Limited
IBJ International Limited	Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft
Merrill Lynch International & Co.	Morgan Guaranty Ltd
Société Générale	Société Générale de Banque S.A.
Union Bank of Switzerland (Securities) Limited	Orion Royal Bank Limited
	Sparebanken Oslo Akershus
	S.G. Warburg & Co. Ltd.
Westpac Banking Corporation	

The issue price of the Notes is 100 per cent. The Notes have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary Global Note.

Interest is payable semi-annually in March and September, the first payment being made in March 1985.

Full particulars of the Notes are available in the Ertel Statistical Service and may be obtained during usual business hours up to and including 30th August, 1984 from the brokers to the issue:

Cazenove & Co.,
12 Tokenhouse Yard,
London EC2R 7AN
16th August, 1984

Acquisitions lift Bibby to £8.15m midterm

PRE-TAX profits of J. Bibby and Sons, Industrial and Agricultural Group, advanced by 12.2 per cent in the first six months of 1984, and the directors are confident of achieving a good performance for the year as a whole.

The surplus amounted to £8.15m for the interim period, compared with £7.24m out of a full-term figure of £18.46m.

As a result of the sale of the textile division last December, sales for the 26 weeks were lower at £126.32m (£126.19m).

On capital increased by last May's one-for-two scrip issue, earnings per 50p share were 5.85p, against 5.66p, and the interim dividend is effectively lifted to 1.7p (1.49p) net—last year's adjusted final payment was 2.4p.

Sales were split between the industrial and the agricultural sector at £67.92m (£68.4m) and £24.41m (£27.79m) respectively, while trading profits of £3.7m (£7.65m) were split as to £3.07m (£4.4m) and £2.63m (£3.25m) for the same.

The 1984 figures within the industrial division reflect the inclusion of the profits of J. and J. Makin Paper Mills, paper manufacturing and converting business, acquired in May, and those of the DeLuca Valve and Instrument Company, a small business based in North Carolina, U.S., purchased in February last.

Sir Leslie Young, chairman, says that all the industrial group activities showed growth in trading profit, with a particularly strong improvement in the industrial services division, which was helped by the rapid economic recovery in the U.S.

The paper and converted products division also benefited to a small extent from the Makin acquisition which is being successfully integrated.

Sir Leslie says that the agricultural sector, which had the benefit of a full six months' results from the animal feed business of J. Derby and Sons and Parker Animal Feeds, purchased last December, showed useful profit growth overall.

The feeds and seeds activity, he says, again produced satisfactory results, but the farm products division had a difficult turkey market to contend with, and the improvement in pig prices was not sufficient to redress the balance.

The chairman points out that the introduction of dairy quotas as part of the revision of the EEC's Common Agricultural Policy, will result in a reduced market for dairy feed. However, he feels that the group's feed operation is well placed to "minimise the effects of this revision."

Sir Leslie states, however, that all other divisions of the group should produce growth this year. The company, he says, is well placed to take full advantage of opportunities for further organic growth. And the director's policy of further expansion by selective acquisition continues.

Pre-tax profits for the six months included associates share of £198,000 (£197,000) but were struck after interest payable of



Sir Leslie Young, chairman of J. Bibby... confident of a good performance for the year.

£684,000 (£610,000). Tax charge was £2,250, compared with £2,17m and after minority interests of £54,000 (£38,000) and extraordinary debits of £2,000 (£182,000), the attributable balance came through at £5.24m against £4.85m previously.

On a current cost basis pre-tax profits were reduced to £7.16m (£5.82m) and earnings per share to 4.74p (£3.91p). See Lex

BSR to build on £9m profit at midway

THE FIRST half of 1984 saw record sales and a \$2 per cent improvement in taxable profits at BSR International, manufacturer and distributor of electronic components and equipment.

At the annual meeting in April, Mr Bill Wylie, the chairman, told shareholders that there would be strong growth, particularly in the second half of the current year. He now expects that full year earnings will comfortably exceed those earned in 1983.

For the six months to June 30 1984, the company turned in a taxable result of £9.5m, up from £8.2m. This followed a 9.4 per cent rise in sales from £20.9m to £22.9m, a turnaround from the comparable £17.38m loss.

The interim dividend is up by 10 per cent to 0.385p net per 10p ordinary share. Last time the total amounted to 1.4p.

The improvement came out of sales which rose from £12.1m to £15.23m, with only the audio division showing a decline, from £2.7m to £2.5m. This followed the cessation of the manufacture and distribution of certain record players and related products in the UK and North America.

Strong growth in electronics lifted turnover in this division from £69.8m to £110.6m, or some 73 per cent of total sales.

Eric Short on disappointing results from General Accident Second quarter recovery not enough

General Accident Fire and Life Assurance Corporation, Britain's largest motor insurer, yesterday reported a pre-tax loss of £700,000, against a £53.9m profit, for the first six months of this year, a result that slightly disappointed the market.

It had been expected the recovery in the second quarter, which produced a pre-tax profit of £16.5m, to have been higher and to more than cover the heavy losses of the first three months—a period that was hit by the severe weather of the past winter.

The interim dividend is being held at 8p per share, even though it is completely unavailing to cover the substantial tax credit enabled the group to record a small net profit of £900,000 (£32.5m) for the half year, with an earnings per share value of 0.5p (19.5p).

The worldwide premium income of GA continued to expand over the period rising to £784m, despite a dramatic drop in premium income on the important UK motor account. The underlying growth adjusting for exchange rates was 6.1 per cent.

The group also recorded a 13.2 per cent rise in investment income from £101.9m to £115.2m, with an underlying growth rate of 7.5 per cent after adjusting for currency fluctuations.

General Accident considers this growth satisfactory considering there was a net cash outflow over the period. The solvency margin fell six percentage points over the half-year to 75 per cent, but this is still a comfortable margin.

However, this investment income growth was insufficient to cover the 75 per cent jump in underwriting losses over the half-year from £67.4m to £118.1m. Although long-term insurance claims were down £2.2m to £2.9m, these failed to bridge the gap, leaving a small pre-tax loss.

The disaster area for GA was its U.S. operations. Premium income in the half-year rose nearly 10 per cent from \$389m to \$427m, but underwriting losses in the second quarter mushroomed from £12.5m to £30.5m—far worse than the market anticipated.

When added to the first quarter deficit, it meant that losses in the half-year were more than doubled to £61m (£26.3m).

GA has been hit in the U.S. by the deterioration in commercial business, the adverse claims experience seen in the first quarter continued into the second three months. Expenditure on personal lines was less severe with the auto account remaining static and home-owners' business deteriorating somewhat.

The audio division loss increased from £0.8m to £1.2m, but sales and profits from the industrial and household divisions continued to improve. The group paid no tax in the UK during the period, and the overseas tax charge fell by £1m to £1.1m. After minorities took £0.1m (added the same), attributable earnings before extraordinary charges came out at £7.6m (£4.2m).

Extraordinary charges amounted to £2.3m against £0.2m, and resulted from the audio division in North America. In cash terms however, the net impact of these closures is expected to be positive, states the chairman.

Contracts have already been entered into in respect of the sale of three such properties which should yield around £5.6m. See Lex

	Six months (£m)	1983 (1984)
Premium income	764.4	699.0
Investment income	115.2	101.9
Underwriting loss	118.1	67.4
Pre-tax loss	0.7	13.9
Attributable profit	0.9	22.8

overall underwriting deficit for the second quarter was only £1.5m against £10.4m last year and this almost made up for the poor first quarter results. Underwriting losses for the half-year were only £3.2m higher at £52.9m. The improvement seen in the first quarter in the motor account, continued into the second quarter, with the effects of last year's substantial rate increases coming through. The account showed a £2m underwriting profit at the half-year stage against a £1.4 loss last year.

The number of motor claims has now stabilised after last year's rise, with a slight fall in the second quarter.

However, this turnaround in underwriting losses best achieved at the expense of market share. Premium income on the motor account was 91 per cent down on the half-year, representing a fall of at least 18 per cent in real terms. The company claims that it was not worried a lot by the business lost and the portfolio was now more balanced.

Premium growth on the other UK accounts was a satisfactory 7.1 per cent on average, leaving overall premium income in the UK virtually unchanged over the half-year at £253.7m.

However, underwriting losses deepened on the other UK accounts, with the householders' account being hit by rising numbers of subsidence claims—up 30 per cent in the first half. This account, hit also by the severe winter weather, saw underwriting losses climb over the half-year from £8.1m to £9.7m. The company warns that this account will be hit even further by subsidence claims in the second half of the year.

McKay Secs lifts profit to £2.33m

McKay Securities, property investment and development concern, achieved higher taxable profits of £2.33m, against £1.86m, in the year to end-March 1984.

Gross rents and service charges receivable advanced from £2.41m to £3.99m, and the taxable result included an increased contribution of £37,946 (£45,710) from related companies.

The directors are recommending a higher final dividend of 2.2p, making a total of 4.2p (3.4p), and a one-for-two scrip issue is proposed. Earnings per 20p share moved ahead by 35 per cent to 9.2p (6.9p).

An external valuation of McKay's UK investment properties was carried out at the year end showing a £2.25m surplus, which has been credited to capital reserves.

Star Computer outlook confident

LOSSES OF £200,000 were incurred at Star Computer Group, seller of computer equipment and software, in the second six months of 1983-84 leaving a full year taxable profit of £120,000 compared with £1.07m.

Despite this setback, however, the directors are confident of a substantial profits recovery. They state that a record order book has been brought forward to the current year and the development of new activities over the past 12 months, while costly in the short term, has enhanced the company's medium and longer term growth.

The losses in the second half were largely due to a revenue shortfall in the final quarter of the year, caused both by severe shortages of product from suppliers and by a slower than anticipated sales build up in several new areas of activity.

The directors have previously stated that they believed these problems to be temporary. The company's subsequent trading experience has confirmed this view.

Sales in several of the new areas of activity are building up strongly.

Turnover for the year to April 30 1984 amounted to £7.54m compared with £8.14m. Earnings per share, before extraordinary debits of £139,000 (discontinued joint venture and Roachwood disposal), slumped from 16.2p to 3.4p. The single final dividend is being held at 2.5p. There were tax credits of £95,000 (charge £180,000) and minorities this time of £1,000.

The directors point out that traditionally a disproportionate amount of revenue arises in the final few months of Star's financial year.

As the figures for the year under review have shown this can cause substantial distortions in the reported profits. The directors therefore intend to alter the financial year end to June 30.

SEET exports increase

Exports at Scottish, English and European Textiles accounted for 74.4 per cent, compared with 69.5 per cent previously, of group turnover in the 12 months to end-April 1984.

Total group turnover for the year expanded from £15.53m to £14.44m and profits at the taxable level advanced by £528,000 to £1.34m. Earnings per 20p share rose by 5.1p to 10.12p and the final dividend is being lifted from 2.5p to 2.7p, making a total payout of 3.6p (3.5p).

The directors say that the group's order book is satisfactory and the balance sheet remains strong. After tax of £517,410 (£210,533), minorities of £55,748 (£38,695) and extraordinary debits of £37,213 (£43,381), the amount available for distribution was £729,856 (£319,331).

The retained balance, after ordinary dividend payments, emerged at £877,411 compared with £384,529.

At the interim stage profits before tax stood at £539,000 (£220,000) on turnover of £9.96m (£4,988m).



Mr Bill Wylie chairman of BSR

Demand for these products continues to grow, and continuing expansion of manufacturing facilities, especially in the Far East, is needed to keep pace.

Spending on research and development at £3.1m was 41 per cent up on the previous year, in line with established policy, this expenditure has been written off as incurred.

Profit at the operating level rose from £3.6m to £11.1m, from which net interest charges accounted for a roughly similar £2.3m (£2.4m).

By far the largest share of the profit came from the electronic division, which added £10.9m, up from £3.6m. The audio division loss increased from £0.8m to £1.2m, but sales and profits from the industrial and household divisions continued to improve.

The group paid no tax in the UK during the period, and the overseas tax charge fell by £1m to £1.1m. After minorities took £0.1m (added the same), attributable earnings before extraordinary charges came out at £7.6m (£4.2m).

Extraordinary charges amounted to £2.3m against £0.2m, and resulted from the audio division in North America. In cash terms however, the net impact of these closures is expected to be positive, states the chairman.

Contracts have already been entered into in respect of the sale of three such properties which should yield around £5.6m. See Lex

Public Works Loan Board rates

Years	Effective August 14		Non-quotas loans A* repaid at maturity	
	by EIP†	At maturity	by EIP†	At maturity
1	11	10F	11	11
Over 1, up to 2.....	11	11	12	12
Over 2, up to 3.....	11	11	12	12
Over 3, up to 4.....	11	11	12	12
Over 4, up to 5.....	11	11	12	12
Over 5, up to 6.....	11	11	12	12
Over 6, up to 7.....	11	11	12	12
Over 7, up to 8.....	11	11	12	12
Over 8, up to 9.....	11	11	12	12
Over 9, up to 10.....	11	11	12	12
Over 10, up to 15.....	12	11	12	12
Over 15, up to 25.....	12	11	12	11
Over 25.....	11	10	11	11

* Non-quotas loans B are 1 per cent higher in each case than non-quotas loans A. † Equal instalments of principal. Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). ‡ With equal half-yearly payments of interest only.

Fleming Fledgeling

Net asset value per ordinary share rose from 113.5p to 118.6p for this six months to June 30, 1984 at Fleming Fledgeling Investment Trust.

The 1p interim dividend is unchanged from last time, when the total payout was 2.25p. Earnings per share for the period are given at 0.82p (0.74p).

Investment income rose from £148,389 to £195,24, deposit interest added £2,489 (£25,871).

Pru South Africa surges

Prudential Assurance Company of South Africa, the 65 per cent owned subsidiary of the UK group, has gained substantially from the acquisition of existing pension funds in the first six months of 1984.

Total life premium was R81.8m (£40m), compared with R56.8m last time and R113.9m for the whole of 1983.

Mr Dorian Wharton-Hood, managing director, says that the advance consisted largely of transfers to the Pru of the assets and contributions of existing pension funds.

He adds that this trend is expected to continue during the second half and that the company will achieve a record increase in premium income.

A first half transfer of R1.95m has been made to profits from the life funds, against R1.8m. Investment income rose from R0.42m to R0.47m while short term operations generated a profit of R44,000 (£48,000). The short term profit totalled R96m for the whole of 1983 while investment income amounted to R1,07m.

The interim dividend has been increased to 6.5 cents, compared with 5.5 cents last time when the total payout was 13.5 cents.

Blackwood Canada profit

Blackwood Hedge's Canadian subsidiary staged a C\$5.53m turnaround to profits of C\$502,000 (£291,000) in the first six months of 1984.

Turnover for the period amounted to \$47.56m, against \$38.49m, and profits before interest charges emerged at \$3.16m, compared with \$331,000. There was no tax (credit \$1.46m), after which earnings per share are stated as 21 cents (loss 64 cents).

SECURICOR

Increase in half-year profits Rights issues planned

Pre-tax profits of Securicor Group increased by 12.6% to £5.856m and those of Security Services by 11.4% to £4.724m in the half year ended 30th March, 1984.

As for many years past, the strength of our mainstream activities to which I referred in my review of last year, has again been clearly demonstrated by the advances in profit before tax. The Boards of your companies continue to look to the future with confidence.

Securicor Group and Security Services are proposing to raise approximately £16 million by way of Rights to fund their participation in Cellular Radio and the continued development of existing activities.

Peter Smith, Chairman

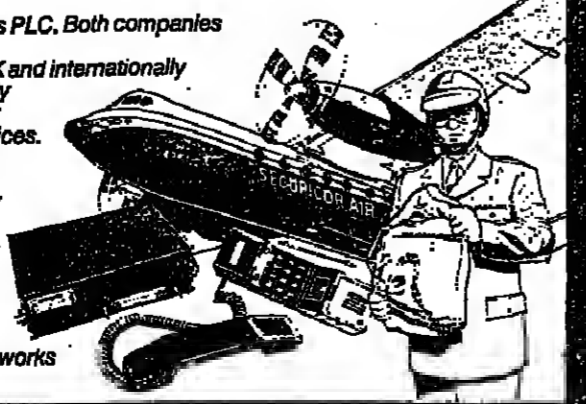
SECURICOR GROUP PLC		SECURITY SERVICES PLC	
Unaudited results for half year ended March 30th, 1984			
	1984	1983	
	£000	£000	£000
TURNOVER—UK	122,877	114,867	104,953
—Overseas	17,247	16,112	17,247
	140,124	130,979	122,200
PROFIT BEFORE TAX			
Industrial security & parcels services	3,261	2,764	3,261
UK	973	946	973
Overseas	1,018	853	490
Finance, investments and insurance	604	629	—
Property, hotels and vehicle division	5,856	5,192	4,724
Tax (estimated)	2,662	2,636	2,204
PROFIT AFTER TAX	3,194	2,556	2,520
Due to outside shareholders	1,242	1,034	2
	1,952	1,522	2,518
EARNINGS PER SHARE	4.8p	3.7p	5.4p
Interim Ordinary dividend (payable 28/9/84)	0.49p	0.44p	1p

Securicor Group PLC owns 50.7 per cent of Security Services PLC. Both companies have full listings on the Stock Exchange.

Security Services' principal activities are carried out in the UK and internationally and include the carrying and care of cash and valuables, security guards and patrols, parcels and document delivery services, air courier delivery services and the Pony Express messenger services. Security Services also has subsidiaries in electronic surveillance, alarm equipment and office cleaning.

Securicor Group's principal subsidiaries (other than Security Services) operate in hotels, travel, Ford dealerships, vehicle body-building, finance, investment and insurance.

Securicor Communications Limited, a company jointly owned by Securicor Group (1/3) and Security Services (2/3) holds 49% of the shares of Telecom Securicor Cellular Radio Limited, a joint venture company recently set up with British Telecom to develop and operate one of the two cellular radio networks in the United Kingdom.



Stroud Riley

Mr Roy Stroud, chairman of Stroud Riley Drummond, says in his annual statement that in general the textile climate has improved but the usual difficulties will always face the industry. However, "we are confident that the group's progression over the last four years will continue," says the chairman.

It is difficult to take into account factors that are outside our control such as the recent substantial increase in the price of raw materials and the ever fluctuating exchange rate which do affect operating margins. However, "we are confident that the group's progression over the last four years will continue," says the chairman.

Triplex

Mr Lewis Robertson, chairman of Triplex Foundries Group, told shareholders at the annual meeting that trading in the first half year, as always, has been quieter. The first four months were slightly ahead of budget.

Provided that interest rates continue to moderate the second half would be stronger, as was usual for the company. He still expected the full year to show continuing recovery.

Bluemel

Bluemel Bros reports that of the 14,553,420 shares it offered by way of rights, about 56.5 per cent were taken up. Mandarin Resources Cyp took up its rights in full and now holds a total of 5,075,200 shares (34.6 per cent).

Of the 11,430,220 shares underwritten 44.75 per cent were taken up. As a result of this, Guinness Mahon & Co will hold approximately 1,655,360 shares (7.13 per cent).

FULCRUM INVESTMENT TRUST P.L.C.
 Net asset value (unaudited) as at 31st July 1984
 Income Shares: 42.19p
 Capital Shares: 5.09p

CORAH

Results of Corah plc for the Half Year to 30th June, 1984

	1984 Half Year £000	1983 Half Year £000	1983 Year £000
Sales	32,045	27,762	59,904
Profit before Taxation	1,245	1,014	2,678
Provision for Corporation Tax	473	203	547
Profit after Taxation	772	811	2,131
Interim Dividend—pence per share net	1.6p	1.5p	3.7p
Earnings per share—pence	2.6p	2.7p	7.2p

The Results for the two half years have not been audited. The figures for the year to 31st December 1983 are abridged from the Group's full accounts for that year which received an unqualified auditors' report and have been filed with the Registrar of Companies.

Extracts from the Chairman's Statement:

□ The Results for the first six months of 1984 are encouraging. Sales increased by 15% to £32,045,000 and profit before tax increased by 23% to £1,245,000. My colleagues and I are pleased to announce an increase in the Interim Dividend from 1.5p to 1.6p per share net.

□ As Shareholders will recall I referred in the last Annual Report to the growing demand for our products arising from our investment in design and advanced technology, together with increased efficiency throughout the business. This has resulted in the improved sales and profit performance achieved despite pressure on margins due mainly to the continuing flood of cheap imports from low cost countries.

□ Our order book for the second half of the year is strong and to meet the demand we are increasing our production resources by further recruitment throughout the Group and by the acquisition of the locally based Elite Hosiery Company Limited.

Corah plc., Burleys Way, Leicester

This announcement appears as a matter of record only

August 1984

U.S.\$ equivalent of
£65,000,000
Medium term project facility for
Premier Consolidated Oilfields plc
and
Premier Oil Barset Limited
for the acquisition and development of the
WYTCF FARM OILFIELD

Managed by
Morgan Grenfell & Co. Limited

Funds Provided by
Marine Midland Bank N.A.
International Energy Bank Limited
Canadian Imperial Bank Group
Bank of Scotland
Morgan Grenfell & Co. Limited
Barclays Bank International Limited

Agent
Morgan Grenfell & Co. Limited

This announcement appears as a matter of record only.

Tricentrol
WYTCF FARM LIMITED

U.S. \$150,000,000
Limited Recourse Project Financing

Managed by
BARCLAYS BANK GROUP

Funds provided by
Barclays Bank International Limited

Bankers Trust Company The Bank of New York
Marine Midland Bank, N.A. The Chase Manhattan Bank, N.A.
Société Générale The Royal Bank of Canada
Agent
Barclays Bank International Limited

July 1984



1984 INTERIM RESULTS

BSR INTERNATIONAL PLC AND SUBSIDIARY COMPANIES

	Unaudited First Six Months to		Audited Twelve Months to
	30th June 1984	2nd July 1983	31st December 1983
Turnover	152.3	121.1	282.0
Operating Profit	11.1	8.6	24.5
Net Interest Payable	(2.3)	(2.4)	(3.6)
Profit before Taxation	8.8	6.2	20.9
Taxation — United Kingdom	(1.1)	(2.1)	(3.3)
— Overseas	7.7	4.1	17.6
Profit after Taxation	(0.1)	0.1	(0.3)
Minority Interests	7.6	4.2	17.3
Earnings Attributable to Ordinary Shareholders	(2.3)	(1.2)	(4.2)
Extraordinary Charges	5.3	4.0	13.1
Profit Attributable to Ordinary Shareholders	(0.9)	(0.8)	(3.2)
Dividends Paid and Proposed	4.4	3.2	9.9
Retained Profit	4.7p	3.0p	11.2p
Earnings per 10p Share	0.55p	0.5p	2.0p

Note: The above unaudited financial information does not represent the full Financial Statements of the Company within the meaning of Section 11 of the Companies Act 1981. Full Financial Statements for 1983 which included an unqualified audit report have been delivered to the Registrar.

HIGHLIGHTS FROM THE CHAIRMAN'S STATEMENT:
Sales up 25.8% and operating profit up 29.1%. Profit before taxation up 41.9%. Profit after taxation (excluding minority interests and extraordinary charges) up 67.8%.

"Demand for the Group's expanding range of products and services should ensure continuing strong growth for the balance of the current year and beyond. Interim dividend up 10% to 0.55p and earnings for the full year expected to comfortably exceed those earned in 1983."

W.R.A. WYLLIE

BSR INTERNATIONAL PLC
Incorporated in England with Limited Liability

To obtain copies of the full interim report please write to The Secretary, BSR INTERNATIONAL PLC, High Street, Wollaston, Stourbridge, West Midlands DY6 4PG, England



BIDS AND DEALS

MINING NEWS

Three-way split to cut Anglo-Scottish share value discount

BY ALEXANDER NICOLL

Anglo-Scottish Investment Trust yesterday announced plans to reduce the discount of its market value to net asset value by dividing itself into two specialised investment trusts and a unit trust.

Anglo-Scottish, managed by CS Investments, had been considering unitisation of all its assets but decided against this course because it would entail the forced sale of most of its unquoted investments.

In a unitisation scheme in an investment trust are exchanged for redeemable units whose value directly reflects the market value of the underlying investments. Unquoted investments may only represent 50 per cent of a unit trust's portfolio.

The immediate market response to the Anglo-Scottish proposals was to boost its share price by 12p to 146p.

Its most recently published net asset value was 155.3p per share, and it now has total net assets of about £47.5m.

The largest individual shareholder in the Trust is Aspinall Holdings, the USM-quoted casino gambling company, which holds nearly 15 per cent.

Under the proposals to be put to shareholders, £17.5m of present assets will go into a new investment trust specialising in unquoted companies. Most prominent among these investments are shares in Telestar, the U.S. business information service. Although it is now a public company, the "lettered" shares held by Anglo-Scottish are subject to

strict limits on redemption until April 1985.

A further £10m of assets will be channelled into an investment trust concentrating on emerging growth companies in the U.S.

Mr Eric Crawford, manager of the trust and a director, said these two trusts could be expected to have a reduced discount to net asset value because of demand for specialised vehicles.

The remaining £20m, invested in a broad range of international equities, would be unitised under the new proposals, providing shareholders with a potential return near asset value.

Initial City reaction was that the proposals were likely to go through — given shareholders' likely willingness to realise gains from the partial unitisation — unless an outside bidder targeted the existing trust as a means for making a disguised rights issue, as has been done several times recently. The unquoted investments would discourage such a move.

Anglo-Scottish was the subject of controversy last year when it switched management from Gartmore Investment Management before consulting shareholders. Mr Crawford, formerly chairman of Anglo-Scottish, moved from Gartmore and jointly founded CS Investments.

The Save and Prosper management group was among shareholders who complained at the management switch, and subsequently reduced its holding. The switch was approved at last November's AGM.

Brooke Bond Australian purchase

Bushells Holdings, an Australian associate of Brooke Bond Group, has agreed to purchase, from Castlemaine Cookeys of Australia, the tea and coffee company Robert Timms.

The consideration for the purchase is approximately A\$6m (£3.22m). Brooke Bond became a 75 per cent shareholder in Bushells in 1979, but in March of this year reduced its holding to 45.5 per cent by means of a public issue of new shares.

The acquisition gives Bushells a larger share of the Australian tea market through the Tetley brand, and a leading position in the coffee market under the Timms label.

The full benefits of the acquisition are unlikely to be felt in the current year, but Bushells believes that it is a logical expansion.

Brooke Bond also considered the formal offer document from Tete & Lyle, and remains convinced that its shareholders should not accept this "wholly inadequate bid".

Sir John Cuckney, the chairman of Brooke Bond, will be writing to shareholders with a formal document giving reasons for rejection, and urging them once again to take no action.

After third party bid speculation, denied by the company, Brooke Bond closed 4p down yesterday at 113p.

Share sales return Northgate to profit in the first half

BY KENNETH MARSTON, MINING EDITOR

DESPITE RECORD gold production at its Chibougamau area mine, heavy depreciation, amortisation and interest charges continue to swallow up operating profits of Canada's Northgate Exploration.

For the second quarter of this year the group is able to report net income of C\$10.1m (£5.87m). After deducting the loss for the previous three months this leaves a net profit for the first half of the year of C\$9.35m, or 90 cents per share, compared with a loss of C\$850,000 for the same period of 1983. The total loss for 1983 was C\$8.88.

The return to net earnings, however, is a result of extraordinary credit items. These include a gain of C\$8m on the sale of part of the holding in the successful Australian gold-producing White Creek Consolidated, a C\$2.7m equity gain on the issue of shares by the recently floated Ebeex International Exploration company, and a tax credit of C\$28,000.

So unless Northgate has any further extraordinary credit items up its sleeve, results for the current three months will fall far short of those for the second quarter.

Messina omits dividend

THE TROUBLED Messina, South African and Zimbabwean copper mining and industrial group, is to omit both its interim and final dividends for the current financial year to December 31. It reports a net loss of R4.09m (£1.98m) for the first half.

The company previously ran its financial year to September 30 and it earned a profit of R8.1m in the 12 months to September 30, 1983 which compared with R28.7m (before an extraordinary debit of R9.4m) in the previous year.

Messina points out that its loss for the first half of this year results mainly from high interest charges on its heavy borrowings, the decline in the value of the rand and a cut in copper production brought about in order to achieve a R45m reduction in copper stocks.

The group has foreign borrowings of some U.S.\$38m.

On the brighter side, Messina has earned profits in the past three months before taking into account the unrealised exchange losses on foreign loans. All the mining operations are expected to be profitable for the rest of the year and government loans have been granted to cover necessary capital requirements.

However, the chances of the group returning to overall profitability depend on two main factors. The first is the extent to which selling prices for copper can be raised to absorb the effects on costs of the decline in the value of the rand.

The second factor will be the impact on domestic copper demand of South Africa's recently announced higher interest rates and credit restrictions.

Shares of Messina fell 7p to 197p in London yesterday.

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding dividend for year	Total last year
Adams & Gibbon	1.75	Sept 28	1.5	5.25
J. Bibby	1.7	Oct 1	1.48	3.88
BSR	0.38	Nov 30	0.35	1.4
Corak	1.6	Oct 15	1.5	3.7
Fleming Fielding	1	—	1	2.25
General Accident	8	Jan 1	8	19
McKay Securities	2.3	—	1.75	3.4
ML Holdings	5	Oct 1	5	7
Ocean Wilsons	2.2	—	2.2	2.85
Plaza	0.35	Nov 30	0.3	0.75
J. Saville Gordon	2.62	Oct 19	2.38	3.38
SEET	2.7	Oct 1	2.5	3.5
Securicor	0.49	Sept 28	0.44	1.44
Security Services	1	Sept 28	0.9	2.7
Star Computer	2.5	—	2.5	2.5

Dividends shown pence per share net, except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

S & N boosts stake in Moray Firth to 29.34%

BY CHARLES SATCHELOR

Scottish & Newcastle Breweries yesterday increased its holding in Moray Firth Holdings to 29.34 per cent from 23 per cent in a move which came as a surprise to the Moray board.

Moray, an Inverness-based producer of malt and agricultural products, came to the USM as recently as last December with a placing of 7 per cent of its shares at 195p each. Its share price rose 10p yesterday to 226p to value the entire group at £14.43m. S&N's shares fell 1p to 116p.

The Newcastle-based brewer said the share purchases were partly an extension of its business relations with Moray and partly an investment in a successful company closely related to the brewing and whisky industries. It declined to comment further on its intentions towards Moray.

Mr Edward Davies, chairman of Moray, said: "I have no knowledge of any intention of theirs to mount a full bid. It has been rather spun on us. Their increased holding came as a surprise to us."

S&N built up a 4.23 per cent stake in Moray over a number of months, bought a further 10.73 per cent through the market on August 8 and yesterday added a further 14.38 per cent stake acquired by private treaty from a single group of shareholders.

The sellers are believed to include Mr Michael Crowther, one of Moray's joint founders and a former director of the company.

Moray's directors meet S&N today for a routine working meeting, though the increased shareholding may also be discussed.

The next full Moray board meeting is planned for tomorrow.

In March, Moray announced pre-tax profits of £1.97m for 1983, an increase of 33 per cent over the previous year, and higher than the £1.9m forecast, despite the depressed home market for malt whiskies. Turnover rose to £31.2m (£28.2m).

S&N now holds 1.8m Moray shares. Yesterday's purchase was financed by the issue of £2.65m nominal worth of newly-constituted unsecured loan stock, equivalent to about 300p per ordinary Moray share.

Schroder Darling and Midland International Australia, a wholly-owned subsidiary of Midland Bank, have reached agreement on the acquisition by Midland of Schroder's loan portfolio.

Under the agreement, Midland will acquire Schroder's client book of medium-term loans which totals approximately A\$175m (£113m).

Midland will retain the key Schroder executives who are currently responsible for managing the portfolio, including Mr Gill Rintoul.

For both companies, the transfer represents a significant strategic step in restructuring their operations to take account of recent changes in financial markets.

Mr Brian Gatfield, Schroder Darling chief executive, said the agreement allowed Schroder's to make room on its balance sheet for securities trading, and to accommodate short-term requirements for clients before arranging debt and equity raisings.

BIDS AND DEALS IN BRIEF

Applied Computer Techniques has entered into an agreement with Swire Engineering, a company based in Hong Kong, to acquire 50 per cent of Swire shareholdings in its wholly owned subsidiary, Swire Systems, also Hong Kong based.

Completion of the acquisition is due to take place on August 31, and the consideration is HK\$4.02m (£391,000), which is intended to be satisfied by way of a tender placing of 184,404 ordinary in A.C.T.

Swire Systems is engaged in the business of distributing microcomputers.

Nationwide Leisure, a Hemel Hempstead-based park, home, camping equipment, retailing, tour operating and travel agency company, has completed the acquisition of a further mobile home park.

Pavenham Park, near Bedford, has been acquired by Nationwide's subsidiary, Modern Mobile Homes, for £275,000 cash from Southern Caravan Group.

On August 3 6,955 shares in General Electric Company were sold at 200p, on behalf of a fund under the discretionary management of Warburton Investment Management (WIM). The deemed association under the City Code between GEC and WIM arose from a former financial advisory relationship between GEC and S. G. Warburg and Co, the parent company of WIM. There is at present no such financial advisory relationship.

Mr W. T. Bateman has increased his holding in C. H. Bailey by a further 86,000 "B" ordinary shares.

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UK COMPANY NEWS

Securicor raises £16m for BT deal

BY WILLIAM DAWKINS

Securicor Group and its 54.1 per cent owned subsidiary, Security Services, are to raise a total of £15.7m to finance their joint venture with British Telecom running cellular radio.

The two companies estimate that they will need £7.5m to fund the venture over the next three years, of which £2.5m will be provided by Securicor and the rest by Security Services. In addition, Security will need "substantial working capital" to develop a business in selling, installing and servicing cellular radio equipment.

The BT-Securicor service, called Cellnet, will be available in the London and M25 areas from next January. Securicor Communications, which is one-third owned by Securicor Group, and two-thirds owned by Security Services, currently has a 49 per cent stake in the venture. This will fall to 40 per cent when British Telecom takes up its option to raise its take to 60 per cent.

Securicor will be raising £10.6m net of expenses via a rights issue of 789,859 ordinary shares at 150p each and 6,833,068 non-voting "A" ordinary shares at 150p each. The issue is on the basis of one new ordinary share ad nine new "A" shares for every 55 ordinary stock units or "A" shares and 2.51 new ordinary shares and 25.25 new "A" shares for every 10 preference shares.

The group will pay £5.2m to take up its full entitlement of the Security Services rights

issue. Services is to raise £12.13m net from a 10-for-54 rights issue of 8,753,338 ordinary shares at 150p each. It will enfranchise all of its non-voting shareholders before the rights issue in an attempt to simplify its complicated capital structure.

Services' voting shareholders will be compensated for the dilution of their voting rights by a bonus issue of 742,806 new ordinary shares on the basis of one-for-every 10 stock units held before the enfranchisement proposal. The group's stake in Services will fall to 50.8 per cent following the bonus, rights issue and enfranchisement.

Both companies yesterday issued their results for the first six months to March 30, showing that Securicor's pre-tax profits rose by 12.8 per cent to £5.8m, while Services' profits rose by 11.4 per cent to £4.7m.

Mr Peter Smith, the group's chairman, said the results clearly demonstrated the strengths of their mainstream activities. The companies are involved in cash-carrying, security alarms, parcel courier services and security guarding.

Securicor Group is increasing its interim dividend by 11.4 per cent to 0.49p net, and Services' dividend is raised by 11.1 per cent to 1p.

The Group's turnover increased from £130.5m to £140.1m, with UK profits up by £1.8m to £2.8m, and the overseas contribution ahead by 3 per cent to £973,000. The contribution from finance, investment and insurance rose



Mr Peter Smith chairman of Securicor

Services' earnings were up by 20 per cent to 5.4p per share.

The rights issue has been underwritten by County Bank dealings in the new shares are and distributed by Cazeno, expected to commence on Tuesday, September 11. The deadline for acceptances is October 2.

comment

The enfranchisement of Security Services' non-voting shareholders is a step in the right direction, even though it is of little practical use to the minority investors. But in view of the City's well known distaste for non-voting equity, it is surprising that Securicor Group did not use the occasion of the rights issue to extend the same reform to its own disfranchised shareholders. With the issue price pitched at a 30 per cent discount to Securicor's opening price, both companies' voting shares allotted 25 to 150p. Margins are still under pressure in the groups' traditional cash-carrying and static guarding businesses, but parcel services appear to be enlarging their share of a growing market. The onus is on new ventures such as cellular radio—where industry-wide retail sales are estimated to be worth at least £500m by 1990—to lift Securicor onto a more exciting growth path. And to compensate for the short-term earnings dilution. But, for this year, analysts are suggesting a 17 per cent rise in profits to £13.5m pre-tax.

seems likely that profits for the current year will continue to rise.

Turnover for 1983-84 increased to £22.98m (£17.98m) and trading profits of £2.02m (£289,000) were split as to: pipeline equipment and engineers' merchants £8.23m (£6.93m) and £362,000 (£210,000); metal trading and scrap processing £13.53m (£11.05m) and £735,000 (£293,000); property investment £1.22m (£721,000) and £904,000 (£540,000).

Earnings per 10p share are given as 7.5p (2.5p) and the

ML Holdings advances further in second half

FURTHER PROGRESS was made by ML Holdings, manufacturing engineer, in the second half of the year to end-March 1984 resulting in a higher 12 months taxable profit of £1.11m against £935,000.

The result was achieved on turnover of £31.38m compared with £24.83m. Tax took more at £188,000 (£12,000), after which earnings per 25p share were little changed at 24.1p (24.1p).

The final dividend is being held at 50 pence on the total payout at 7p.

The directors say that ML Aviation's turnover was substantially higher but the company has incurred considerable front-end costs related to increased production requirements.

Crown Foundry, for the first time for many years, achieved a small profit. ML Engineering (Plymouth) had a difficult year but a sharp upturn in orders developed to the last three months and this improvement is continuing into the current year.

Eisewhere, ML Composites enjoyed a further increase in both turnover and profits hedged by valuable new agency business.

comment

The lure of attractive returns on the JP233 airfield attack system MOD contract has pushed up the share price of ML Holdings from a low of 247p to touch 318p earlier this year. Yesterday the shares gained 2p to 312p on the results for the year to March. The bulk of the 26.4 per cent turnover increase came from ML Aviation and 65 per cent of aviation income is from the JP233. Around £1m incurred in front end costs has held back its profits contribution in 1983-84 so profits will be significantly higher in the current year. Secrecy surrounding MOD contracts prevents any accurate assessment of the significance or length of the JP233 contract though more will be revealed in the annual report. It will cancel out the first time a divisional breakdown of ML Holdings business. The aviation division has quite justifiably stolen much of the limelight but good news from the other divisions should help perk up the share price again which presently stands on a historic PE of around 12.5. The upturn in orders for the engineering business, from BR and overseas, is particularly good news for profits in the next couple of years.

Phicom prepares for expansion

Phicom experienced a successful half-year to June 30 1984 and pushed taxable profits up by 74 per cent from £1.02m to £1.78m.

The increase stemmed from a higher contribution of £1.7m, against £1.45m, from data communications and a £240,000 turnaround to profits of £72,000 in electronic enclosures.

Phicom's life sciences division suffered a £32,000 fall to £134,000, but this setback was more than offset by a reduction in interest payable from £501,000 to £304,000.

Turnover for the period amounted to £21.45m, against £18.55m, and the taxable result included a more than trebled contribution of £174,000 (£50,000) from associates.

The interim dividend is being increased by 17 per cent from 0.3p to 0.35p on the enlarged capital with stated earnings per share 0.4p higher at 1.3p.

Commenting on the results, Mr A. K. S. Frao, the chairman, said: "This has been a successful first half showing a substantial improvement over the same period last year."

"Our products have sold well, together with new important contracts and successfully launched new products. In this climate and with a strong balance-sheet, we can look forward to a period of expansion."

In the data communications division an enhanced model of the Puma telex machine was successfully launched in the spring and has been well received by customers of British Telecom.

An initial £5m contract for security printers has been awarded to Trend Communications by the Army for delivery in 1985-86.

Phasing of deliveries to customers has this year favoured the results of the first half. Accordingly, current forecasts do not indicate further improvement in the rate of profit during the second half.

Mr Franks said that life sciences suffered from delays in the release of funds by Governments in several countries. This, together with costs involved in updating the design of a major product to meet the latest requirements of the market, caused the reduction in profit in the first half. Second-half results, however, should show an improvement.

In the last full year Phicom achieved pre-tax profits of £2.36m on turnover of £38.32m, and paid a 0.45p final dividend.

Phicom's tax for the period under review was £570,000 (£317,000). Preference dividends absorbed a same-again £103,000 to leave an attributable balance of £1.11m (£801,000).

In July, Phicom sold its 50 per cent holding in Rank Pricom Video Group. The sale realised £4.5m which has been used to reduce borrowings—the effects of the disposal are not incorporated in the interim results.

Adams & Gibbon up but warns

TAXABLE PROFITS rose from £281,000 to £364,000 at Adams & Gibbon in the six months to end-May 1984, but the directors warn that the second half may be difficult because of higher interest rates and the miners' strike.

The company is a garage proprietor, motor dealer and engineer.

Although the directors are confident that Adam's spread of activities will produce good trading results for the year they say that this confidence is more muted than it was three months ago.

After tax of £90,000 (£30,000), earnings per 25p share are shown as 15.1p (13.8p). The interim dividend is being lifted by 0.25p to 1.75p.

Saville Gordon doubled to £1.3m

SECOND-HALF pre-tax profits of J. Saville Gordon, metal trading and scrap processing, engineers' merchant, expanded from £277,000 to £322,000 and lifted the figure for the year ended April 30 1984 to £1.33m, more than double the previous £588,000. A record £1.8m was reached in 1979-80.

The directors say that results for the early months of the year are affected by holiday closures, and can be misleading. However, figures so far are encouraging and they say it

dividend is increased to 3.7p (3.35p) not with a final payment of 2.2p.

Saville Gordon has raised its stake in Dupont, the investment holding company, to 5.43 per cent through recent purchases of ordinary shares.

Saville first bought shares in Dupont three years ago and now holds 2.4m shares. Mr Saville, who said yesterday that "the Dupont stock purchase were a good investment then and are still a good investment now," is a non-executive director at Dupont.

More growth and efficiency for Corah

CROWING DEMAND for Corah's products together with increased efficiency throughout the business has resulted in an improved profit performance in the first half of 1984.

Mr G. N. Corah, the chairman of this Leicester-based manufacturer and distributor of knitted clothing and fabrics, reports a 23 per cent rise in pre-tax profits for the period to June 30, and says that the order book for the second half of the year is strong. The company's largest customer is Marks and Spencer.

The interim result increased by some £230,000 to reach £1.25m on sales ahead from £27.7m to £32.05m.

The interim dividend is 1.6p net per share against last year's 1.6p, part of the 3.7p total. Earnings per share are shown to have fallen slightly from 2.7p to 2.6p.

General Accident INTERIM RESULTS

The results for the six months ended 30th June 1984, estimated and subject to audit, are compared below with those for the similar period in 1983, which are restated at 31st December 1983 rates of exchange; also shown are the actual results for the full year 1983.

It must be emphasised that the results for the interim period do not necessarily provide a reliable indication of those for the full year.

	6 Months to 30.6.84 Estimate £ millions	6 Months to 31.12.83 Estimate £ millions	Year to 31.12.83 Actual £ millions
Net written premiums—General Business ...	764.4	699.0	1,395.0
Investment Income	115.3	101.9	212.5
Underwriting Result—General Business ...	(118.1)	(67.4)	(150.2)
Long Term Insurance Profits	2.9	2.2	4.9
Loan Interest	0.1	36.7	67.2
Profit (Loss) before Tax and Minority Interests	0.8	0.8	1.6
Taxation (credit)	(0.7)	35.9	65.6
Minority Interests and Preference Dividend	(2.4)	2.1	1.9
Minority Interests and Preference Dividend	0.8	1.0	1.5
Net Profit attributable to Shareholders	0.9	32.8	62.2
Earnings per Ordinary Share	0.5p	19.5p	37.0p
Principal exchange rates used in converting overseas results—			
USA	\$1.36	\$1.45	\$1.45
Canada	\$1.79	\$1.81	\$1.81

Net written premiums and investment income increased in sterling terms by 9.4% and 13.2%, respectively. Adjusted to exclude the effects of currency fluctuations, the increases were 6.1% and 7.5% respectively.

In the second quarter there were underwriting losses of £1.8m (1983 £10.4m loss) in the United Kingdom and £30.5m (1983 £12.5m loss) in the United States. In the aggregate other territories produced underwriting losses of £11.8m (1983 £4.6m loss) with Canada contributing a loss of £4.9m against only a marginal loss for the quarter last year. EEC territories deteriorated to a loss of £4.2m (1983 £1.5m loss). The pre-tax profit for the quarter amounted to £15.5m (1983 £27.5m profit).

For the six months net premiums written in the United Kingdom amounted to £255.7m (1983 £255.9m) with an underwriting loss of £32.9m (1983 £29.7m loss). The Motor account showed a further substantial improvement in the second quarter to produce a small profit for the half year (1983 £11.4m loss) but, notwithstanding seasonal improvements in the second period, the influence of severely adverse weather in the first quarter resulted in half-year losses of £9.7m (1983 £6.1m loss) in the Homeowners' account and £17.4m (1983 £7m loss) in the Industrial Fire and Traders' accounts. The Liabilities account remains substantially unprofitable.

For the six months net premiums written in the United States totalled \$427m (1983 \$359m) with an operating ratio of 119.37% as compared with 109.27% for the same period in 1983. On the United Kingdom accounting basis the underwriting loss was £61m (1983 £28.3m loss). The pattern of first quarter experience has largely continued up to the half year. Weather losses remain insignificant and although there has been some deterioration in the Homeowners' account the Automobile account experience is little changed from that of the first half of 1983. The high level of claims incidence in Commercial lines was only slightly reduced in the second quarter and the half year experience remains very adverse as compared with 1983.

Eisewhere for the six months, there were aggregate underwriting losses of £24.2m (1983 £11.4m loss). This deterioration was principally attributable to a sharp downturn in Canada partly as a result of some further reserve strengthening. Experience in the EEC territories overall was also more unprofitable.

New annual premiums for life business in the United Kingdom in the first half of 1984 were £16.6m (1983 £16.8m), while single premiums increased from £13.1m in 1983 to £24.7m.

Dividend

The Directors have declared an interim dividend for the year ending 31st December 1984 of 8.0p per share (1983 8.0p) payable on or after 1st January 1985 to ordinary shareholders on the register of members on 30th November 1984.

General Accident Fire & Life Assurance Corporation plc.
World Headquarters: Pitheavlis, Perth, Scotland PH2 0NH.

A winning combination.

- Another new first half record with pre-tax profits up by 12.6% at £8,149,000.
- In Agriculture, Feeds and Seeds activity again results in a very satisfactory performance.
- Interim dividend increase from 1.49p to 1.70p per share, a rise of 14%.
- As United Kingdom economy recovers, the Company is well placed to take full advantage of opportunities for further organic growth.
- Both Industrial and Agricultural Group interests produce higher trading profits.
- Overall, the winning combination of Industrial and Agricultural interests leaves Bibby well placed to achieve another good performance for the year as a whole.
- Within the Industrial Group, rapid recovery in United States economy aids strong improvement in results of the Industrial Services Division.

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INDUSTRY MEETS AGRICULTURE SUCCESSFULLY.

McKAY SECURITIES PLC

PRELIMINARY ANNOUNCEMENT (ABRIDGED)

Group Results for the Year Ending 31st March, 1984		
	1984	1983
	£	£
Gross Rents and Service Charges		
Receivable	3,990,783	3,411,506
Profit before Tax	2,330,472	1,856,503
Profit after Tax	1,282,063	986,484
Earnings per share	7.6p	5.7p

Directors recommend a final dividend of 2.3p per share, making a total for the year of 4.2p (1983 3.4p) together with a bonus issue of 1-for-2. Proposals for increase in share capital and other matters will be put to EGM to follow AGM. Details will be circulated to Shareholders in due course.

An external valuation of the Group's UK investment properties was carried out on 31st March, 1984, which showed a surplus of £2,250,319. This surplus has been credited to Capital Reserves.

Annual General Meeting to be held at 18 Parkside, Knightsbridge, London SW1, 10th October, 1984, at 12 noon.

Granville & Co. Limited

Member of NASDIM
27/28 Lovat Lane London EC3R 8ES Telephone 01-621 1212

Over-the-Counter Market

1983-84	Company	Price	Change	Gross Yield	P/E	Fully Adjusted
142	Ass. Bnt. Ind. CULS	136	—	8.3	4.8	8.0
158	Ass. Bnt. Ind. CULS	143	—	6.4	11.6	8.0
78	Airsprung Group	55	—	2.8	7.8	4.8
38	Armstrong & Rhodes	57	—	1.5	7.7	5.2
58	Bayer Technologies	45	—	3.5	7.7	5.2
291	CCL Ordinary	178	—	12.0	6.7	—
152	CCI 11pc Conv. Pfd.	137	—	15.7	13.1	—
540	Carborundum Abrasives	525	+ 5	5.7	1.1	—
249	Frank Harsell Pfd	305	—	8.0	9.0	35.3
68	Debenhams Services	223	—	9.6	4.7	9.2
253	Frank Harsell Pfd	305	—	4.3	16.5	—
38	George Blair	35	—	—	—	—
80	Ind. Precision Castings	47	—	7.3	15.5	13.0
124	James Burrough	228	—	13.7	6.0	6.0
231	James Burrough	228	—	15.7	13.1	—
146	Linguaphone Ord.	145	—	—	—	—
100	Linguaphone 10.5pc Pfd.	98	—	15.0	15.8	—
433	Min-house Holding BV	433	—	3.8	8.3	37.0
178	Robert Jenkins	57	—	20.0	5.0	6.5
74	Scrymgeour "A"	49	—	5.7	11.8	25.8
120	Today & Cousins	85	—	—	—	5.1
442	Tuition Holdings	432	—	—	—	9.8
26	Unilever Holdings	21	—	1.3	8.2	10.2
82	Walter Alexander	38	—	17.4	7.9	6.6
278	W. S. Vesta	237ad	—	—	—	5.7

Yearlings total £18m

Yearling bonds totalling £18.25m at 10 1/2 per cent, redeemable on August 21 1985, have been issued this week by the following local authorities:

Derby City Council £1m; Manchester (City of) £1.5m; Alnwick District Council £0.5m; Rhondda Borough Council £1.0m; Slough (Borough of) £0.5m; Tydfil BC £0.5m; Breckland DC £0.5m; Rochdale Metropolitan BC £0.5m; St Edmundsbury BC £0.5m; Lambeth (London Borough of) £1m; Scunthorpe (Borough of) £0.25m; Tayside Regional Council £1m; Camdex (London Borough of) £1m; Redbridge (London Borough of) £1m; Strathclyde Regional Council £2m; Lothian Regional Council £2m; Kingston upon Hull (City of) £1m; Tendring DC £0.5m; Newcastle upon Tyne (City of) £0.5m; Stafford BC £0.5m; Sunderland (Borough of) £1m.

Ocean Wilsons

Following an even first half result of £1.7m, against £1.79m, pre-tax profits of Ocean Wilsons (Holdings), investment holding concern, averaged £1.7m at £2.72m for the 1983 year compared with £1.7m previously. Turnover dropped from £84.38m to £37.44m.

Basic earnings were maintained, however, at 2.95p with a same-again final distribution of 2.2p net per 20p share. Earnings were 3.85p (2.45p) after tax of £1.75m (£1.51m).

The directors say that accounts for 1983 have been drawn up in the form of group accounts, not consolidated accounts as to previous years. Because of this change the figures are not comparable.

Thorn EMI

The rights issue by Thorn EMI of up to 35.17m ordinary shares at 370p, has been taken up to the extent of 35,820 shares, 9.9 per cent of the issue. Those shares not taken up have been sold at 431 1/2p in the market.

BOARD MEETINGS

Interim + Anglo International Investment Trust, T. Clarke, Hill and Smith, Independent Newspapers, Raiffeisen (Great Britain), Royal Insurance, Transport Development, Ticono Mines Malaysia.

Finals + AG Research, Caladonian Associated Companies, Fleming Japanese Investment Trust, A. J. Geller, MS International, Louis Newmark, Parkfield, Faundrics, Philips Lamps, Selsic IV, Victor Products, Wharfedale and Gillow.

FUTURE DATES

Interim—

Apple Trust	Aug 22
Bonfield Concrete Machinery	Sept 3
Brewster Industries	Aug 14
Brume (T. F. & J. H.)	Aug 22
Bunzl	Sept 5
Cadbury	Aug 22
Environ (L. M.)	Aug 22
(Telefonaktiebolaget)	Aug 22
Friedland Doggart	Sept 5
Heathway Ceramic	Sept 5
Herston	Sept 11
Standard Chartered Bank	Aug 21
Suora	Aug 22
York Mount	Aug 20

Finals—

Consolidated Platinums	Aug 29
Global Trust	Aug 21
Oil Price	Sept 10
Staffordshire Potteries	Sept 12

Prices at 3pm, August 15

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

12 Month High	Low	Stock	De. Yld. P. St. 100s	High	Low	Close	Chg.	12 Month High	Low	Stock	De. Yld. P. St. 100s	High	Low	Close	Chg.	12 Month High	Low	Stock	De. Yld. P. St. 100s	High	Low	Close	Chg.	12 Month High	Low	Stock	De. Yld. P. St. 100s	High	Low	Close	Chg.
22 1/2	13 1/2	AMC	11 1/2	22 1/2	13 1/2	22 1/2	+	22 1/2	13 1/2	AMC	11 1/2	22 1/2	13 1/2	22 1/2	+	22 1/2	13 1/2	AMC	11 1/2	22 1/2	13 1/2	22 1/2	+	22 1/2	13 1/2	AMC	11 1/2	22 1/2	13 1/2	22 1/2	+

Continued on Page 21

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AMERICAN STOCK EXCHANGE COMPOSITE PRICES

Prices at 3pm, August 15

Main table of American Stock Exchange Composite Prices, listing various stocks with columns for 12 Month High/Low, Dividend Yield, and Price Change.

Continued on Page 22

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Main table of New York Stock Exchange Composite Prices, listing various stocks with columns for 12 Month High/Low, Dividend Yield, and Price Change.

Continued from Page 20

Notes on dividend data: Dividend data is unaffiliated. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amount to 25 percent or more has been paid, the year's high-low range and dividend rates are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

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WORLD STOCK MARKETS

OVER-THE-COUNTER

Nasdaq national market, 2.30pm prices

Table of over-the-counter stock prices including columns for Stock, Sales, High, Low, Last, and Change. Lists various companies like AFS, AIG, and others.

LONDON

Chief price changes (in pence unless otherwise indicated)

Table of London stock price changes for various companies like AB Electronic, Anglo Scottish, and others.

Table of stock prices for Australia, including companies like Creditanstalt, Gessler, and others.

Table of stock prices for Germany, including companies like AEG Tefel, Allianz, and others.

Table of stock prices for Norway, including companies like Bergan Bank, Christiania Bank, and others.

Table of stock prices for Australia (continued), including companies like Gon Prop Trust, Hartog Energy, and others.

Table of stock prices for Japan (continued), including companies like MHI, Daiwa, and others.

Table of stock prices for Belgium/Luxembourg, including companies like ARSEL, Belg Int, and others.

Table of stock prices for Germany (continued), including companies like Deutsche Babcock, Dresdner Bank, and others.

Table of stock prices for Spain, including companies like Bco Bilbao, Bco Central, and others.

Table of stock prices for Hong Kong, including companies like Bank East Asia, Citibank, and others.

Table of stock prices for Japan (continued), including companies like Daiwa, Daiichi Kangyo Bank, and others.

Table of stock prices for Denmark, including companies like Aarhus, Aalborg, and others.

Table of stock prices for Italy, including companies like Banca Com, Banco di Sicilia, and others.

Table of stock prices for Switzerland, including companies like Alusuisse, Bank Leu, and others.

Table of stock prices for Japan, including companies like Aikens, Aikens, and others.

Table of stock prices for Singapore, including companies like Southeast Hg, Fraser & Neave, and others.

Table of stock prices for Canada, including companies like 2000, 2000, and others.

Table of stock prices for Canada (continued), including companies like 2000, 2000, and others.

Table of stock prices for Canada (continued), including companies like 2000, 2000, and others.

Table of stock prices for Canada (continued), including companies like 2000, 2000, and others.

Table of stock prices for Canada (continued), including companies like 2000, 2000, and others.

AMERICAN STOCK EXCHANGE PRICES

Large table of American stock exchange prices for various companies like IBM, Microsoft, and others.

WORLD ECONOMIC INDICATORS every Monday in the Financial Times

Handwritten signature or mark at the bottom of the page.

LONDON STOCK EXCHANGE

MARKET REPORT

RECENT ISSUES

Uneasy late on threat of national dock strike and less favourable U.S. news

Account Dealing Dates

First Declared Last Account Dealings... 1984 Aug 20... 1984 Aug 21... 1984 Aug 22...

London stock markets began to daily yesterday awaiting the expected reductions in base lending rates...

The promise of cheaper borrowing costs had initially supported both Government stocks and leading industrial stocks...

Equity traders expressed little concern over the financial rumour which overnight checked the Dow Jones average's recent advance...

Leading industrial were often neglected until dealers began anticipating late selling and lower Wall Street values...

NetWest were a full feature among the major clearing banks as selling of the new full-paid shares...

Lloyds faring best at 429p, up 4. Among Merchant Banks, Hill Samuel continued to trade briskly...

General Accident became the second major composite insurance group to report a first-half loss...

Grand Metropolitan apart, leading Breweries remained very much a backwater, Scottish and Newcastle eased the turn to 116p...

Equity traders expressed little concern over the financial rumour which overnight checked the Dow Jones average's recent advance...

NetWest were a full feature among the major clearing banks as selling of the new full-paid shares...

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FINANCIAL TIMES STOCK INDICES

Table with columns: Index, 1984, 1983, 1982, 1981, 1980, 1979, 1978, 1977, 1976, 1975, 1974, 1973, 1972, 1971, 1970, 1969, 1968, 1967, 1966, 1965, 1964, 1963, 1962, 1961, 1960.

HIGHS AND LOWS S.E. ACTIVITY

Table with columns: Index, High, Low, Daily Edged, S.E. Activity.

disappointment with the interim figures triggered persistent selling of BSE which fell steadily to close 28 lower at 165p.

Speculative operators continued to find potential takeover targets among secondary Stores. Spenrad returned to favour and a lively market advanced to 318p before closing 10 np on balance at 308p.

Footwear issues trended higher, although interest remained selective. Buyers continued to display enthusiasm for Newbold and Barton, 6 up for 4...

Unsettled by a broker's severe circular and the company's warning a 15 digit BSE price war, Grand Metropolitan came under sustained selling pressure...

Setback in Bibby After a quiet and rather uncertain trading session, leading industrial stocks closed with a net fall...

The Cold Mines index showed a 2.3 decline at \$60.7. South African Financials were better when changed despite the late declines in Golds...

East Rand Consolidated touched a year's high of 50p prior to closing a net 3 firmer at 43p following news that Afex Corporation has increased its stake to 6.65 per cent...

Platinum showed Impala Platinum t harder at £10 on further consideration of the recently announced preliminary offer...

Movements in Textiles usually favored holders. Scottish English and European rose 4 to 104p following the 66 per cent expansion in full-year profits...

Leading Oils moved narrowly in either direction and generally settled with minor losses on balance.

South African Golds got off a firm start, helped by a firm opening in the Bullion market, but subsequently encountered light profit-taking...

The gold price touched \$356 in India, London and Hong Kong, but declined to \$349.75 before steadying to close a net \$2.75 easier at \$325 an ounce.

EQUITIES

Table with columns: Stock, Price, Change, Volume, etc.

FIXED INTEREST STOCKS

Table with columns: Stock, Price, Change, Volume, etc.

"RIGHTS" OFFERS

Table with columns: Stock, Price, Change, Volume, etc.

NEW HIGHS AND LOWS FOR 1984

Table with columns: Stock, High, Low, Date.

OPTIONS

Table with columns: Stock, Price, Change, Volume, etc.

ACTIVE STOCKS

Table with columns: Stock, Price, Change, Volume, etc.

RISES AND FALLS YESTERDAY

Table with columns: Stock, Price, Change, Volume, etc.

LONDON TRADED OPTIONS

Table with columns: Option, Price, Change, Volume, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: Index, 1984, 1983, 1982, 1981, 1980, 1979, 1978, 1977, 1976, 1975, 1974, 1973, 1972, 1971, 1970, 1969, 1968, 1967, 1966, 1965, 1964, 1963, 1962, 1961, 1960.

FIXED INTEREST

Table with columns: Price, Index, Change, Volume, etc.

BRITISH GOVERNMENT INDEX-LINKED STOCKS

Table with columns: Stock, Price, Change, Volume, etc.

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol, Avg, Last, etc.

*Flat yield. Highs and lows record, base rates, values and conventional changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Brackton House, Cannon Street, London, EC4A 3DF, price 15p, per copy 25p.

Aug. 16. Total Contracts 6,932. Calls 4,895. Puts 1,037. Underlying security prices.

هذو اصد اهل

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

LEISURE—Continued

Table of leisure stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

PROPERTY—Continued

Table of property stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

OIL AND GAS—Continued

Table of oil and gas stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

MINES—Continued

Table of mining stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.



MINES—Continued

Table of mining stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

INSURANCES

Table of insurance stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

PROPERTY

Table of property stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high/low, and volume.

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AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including British Group, Abbey Unit Trust, High Income, and various other investment funds with their respective managers and performance data.

FT UNIT TRUST INFORMATION SERVICE

Main table of FT Unit Trust Information Service listing various unit trusts such as Key Fund Managers, Perpetual Unit Trust, Profit Unit Trusts, and others, including their managers and details.

Table of insurance companies and their products, including City of Westminster Assurance, General Portfolio Life, and various life insurance policies.

F.T. CROSSWORD PUZZLE No. 5,493

Crossword puzzle grid with clues for Across and Down words. Includes a solution for puzzle No. 5,492.

Large crossword puzzle grid with clues for Across and Down words. Includes a solution for puzzle No. 5,492.

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INSURANCE, OVERSEAS & MONEY FUNDS

Handwritten Arabic text at the top of the page.

Table of financial data for various insurance and investment funds, including Liberty Life Assurance Co Ltd, National Provident Institution, and others.

Table of financial data for various insurance and investment funds, including Sare & Progar Group, Target Life Assurance Co Ltd, and others.

Table of financial data for various insurance and investment funds, including GAL Investments (IOM) Ltd, Capital International Fund S.A., and others.

Table of financial data for various insurance and investment funds, including Marine Midland (CI) Ltd, Strathgaird Management Limited, and others.

Table of financial data for various insurance and investment funds, including Money Market Trust Funds and Money Market Bank Accounts.

OFFSHORE AND OVERSEAS

Table of financial data for various offshore and overseas investment funds, including Acquisitions International Fund SA, Priority International, and others.

Table of financial data for various offshore and overseas investment funds, including Sare & Progar International, Money Market Trust Funds, and others.

NOTES

Notes and footnotes at the bottom right of the page, including information about interest rates and fund performance.

COMMODITIES AND AGRICULTURE

Potato producer prices fall as supplies ease

BY ANDREW GOWERS

PRODUCER PRICES of potatoes have dropped sharply in line with the decline in the futures market in recent weeks, reflecting the easy availability of supplies and resultant demand.

The Potato Marketing Board, which oversees Britain's physical market, reported yesterday that the estimated average producer price for potatoes last week was 386.96 a tonne, compared with 393 the week before.

It said a stalling trend in prices was emerging, though supplies are more than sufficient in some areas. Meanwhile, the futures market prices had an easier tone yesterday. The contract for November delivery lost 50p to close at 472.30 while the more heavily-traded April contract dropped 10p to 393.30.

Traders said the market was marking time after its dramatic fall in recent weeks from levels above 430. An attempted rally the day before yesterday petered out after brief profit-taking.

The quieter atmosphere of recent days partly reflects the market's traditional August doldrums and partly a change in the weather, to which potato prices are highly sensitive. The drought in many growing areas has been causing traders to speculate that the crop might be seriously affected.

While, however, the West Country remains dry, most sizable growing areas have had a good crop. The market may drop further in coming weeks, as it usually does at this time of year. Looking to the autumn, though, some brokers believe a modest short fall in the UK crop — because of lower plantings this year — may push prices up again.

There is, however, unlikely to be a shortage, for several continental European countries, notably The Netherlands, are expecting good crops.

International company is investigating the project independently. Brooke Bond, the biggest UK tea-händler, says it is neutral on the matter. It cannot see any benefit in a company from futures trading but would not necessarily ignore the market if it were launched.

Other blenders and dealers are either lukewarm or against the project. None of the less, supporters of the idea are considering proceeding, even if the bulk of the traditional trade remains opposed, on the basis that once the contract got off the ground it would prove its usefulness and gradually gain acceptance.

London tin values drop sharply

TIN PRICES fell sharply on the London Metal Exchange yesterday for the second day running after puzzling tactics by the International Tin Council buffer stock.

The cash price of standard grade tin closed 120 lower at 49.45 a tonne after losing 11.15 the previous day. Dealers attributed the tin to the stronger trend in sterling and what was described as significant selling by the buffer stock.

The two influences may well be linked, in that with sterling stronger the buffer stock can afford to take some profits in London on previous purchases to help fund future support buying, especially in Penang.

Nevertheless the buffer stock selling created some nervousness, particularly in London values remain at a discount to the Malaysian market.

MEAT: Soviet production figures indicate another record year with the first seven months 8 per cent higher than the comparable period last year.

RUBBER: India plans to increase plantations in its five-year development starting next April. Mr V. K. Chitharandam, Rubber Board assistant development commissioner, told Reuters.

COFFEE: Indonesia says the crop areas under cultivation will be 2,000,000 hectares in 1964-65, four times more than in 1962-63.

IRON ORE: China is interested in buying up to 2m tonnes from India next year if terms are right. Mr Ahd Hussein, head of a trade delegation in Peking, said.

VENEZUELAN Government geologists have reported finding uranium in the country's Amazon region.

INTERNATIONAL COMMODITY EDITOR. A NEW LOOK is being taken at prospects for launching a tea futures market in London. Mr Jack Patterson, of Woodhouse Drake & Carey, said talks are planned for early next month with potential buyers and interested parties to see if it is worth establishing a formation committee.

Caribbean sugar industry cheers up

BY CANUTE JAMES IN KINGSTON

SPRITS ARE a bit lighter in the hard-pressed sugar industry of the Commonwealth Caribbean, even though there has been no overall rise in production, which has been declining steadily for 15 years.

The decision of some governments, such as those of Jamaica and Trinidad and Tobago, to deal firmly with basic problems afflicting the industry has been matched by encouraging signs of increased production, though marginal in Barbados and Guyana.

The region's producers have also been encouraged by the U.S. Government's acceptance of an off-pegged plea for a collective import quota for the Caribbean Economic Community, made up of the region's Commonwealth members.

The agreement will allow other members of the group to fill shortfalls by their partners within a collective quota of 160,000 tonnes a year.

Mr Yakkou Khan, secretary of the Sugar Association of the Caribbean, said the new system, if there is a shortfall it goes back to the U.S. Government for redistribution.

TRADER CONCERN about drought in the U.S. soybean growing areas led to mid-day prices higher yesterday in the oil complex at the Chicago Board of Trade.

Though some meteorologists are forecasting showers in the Midwest States, there, yields, traditionally the highest in the country, run about 33 bushels per acre.

The weather has been the most co-operative in southern soybean areas where yields generally average 23 bushels an acre only.

NEW YORK, August 15. Precious metals came under heavy selling early and rallied for much of the day through the day. How much of the rally was due to copper prices was slightly lower despite favourable speculation on the LME and Comex. Arbitrage activity could not keep abreast of the erratic currency moves and failed to provide much support to the market.

NEW YORK, August 15. Cotton prices fell, and technical oriented selling, Cacao prices, flattened from yesterday's close, on profit-taking and dealer selling of the contract. The market was slightly lower despite favourable speculation on the LME and Comex. Arbitrage activity could not keep abreast of the erratic currency moves and failed to provide much support to the market.

U.S. soybean traders watch weather

BY NANCY DUNNE IN WASHINGTON

AGRICULTURE last Friday estimated the U.S. soybean crop at 2.44 billion bushels, a yield at about 30.5 bushels an acre. The prediction, however, was based on the weather as of August 1, just as the current drought was becoming a concern.

Yields, traditionally the highest in the country, run about 33 bushels per acre. The weather has been the most co-operative in southern soybean areas where yields generally average 23 bushels an acre only.

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Tea futures market talks planned

BY JOHN EDWARDS, COMMODITIES EDITOR

INTERNATIONAL company is investigating the project independently. Brooke Bond, the biggest UK tea-händler, says it is neutral on the matter. It cannot see any benefit in a company from futures trading but would not necessarily ignore the market if it were launched.

Other blenders and dealers are either lukewarm or against the project. None of the less, supporters of the idea are considering proceeding, even if the bulk of the traditional trade remains opposed, on the basis that once the contract got off the ground it would prove its usefulness and gradually gain acceptance.

Both the London Commodity Exchange and the Grain and Futures Trade Association (GFTA) have been approached to consider the project. The LCE is showing most interest. Meanwhile, London traders were sceptical about the report from Calcutta that India, Sri Lanka and China plan to go it alone with an international tea pact aimed at setting minimum price levels.

India recently sent a large delegation to crop at the Chinese tea industry. It was suggested in London that the announcement of a proposed international agreement was kite-flying, aimed mainly at putting pressure on Kenya.

It is thought unlikely that any scheme to impose minimum prices could be successful internationally without some kind of export controls by major producers, including Kenya.

India's tea production is expected to total about 640m kg this year, 10m more than the official total agreed to buy last year's output. Mr Josphat Khattar, lead Reuters in Calcutta.

INTERNATIONAL COMMODITY EDITOR. A NEW LOOK is being taken at prospects for launching a tea futures market in London. Mr Jack Patterson, of Woodhouse Drake & Carey, said talks are planned for early next month with potential buyers and interested parties to see if it is worth establishing a formation committee.

THE FRAMEWORK for a tea futures contract was drawn up more than 10 months ago. The ideas were dropped when some leading tea-händlers opposed it. However, following sharp fluctuations in tea prices in the past year and the ontry of more commodity brokers to the trade it is felt the idea of a futures market may be more acceptable.

BRITISH COMMODITY PRICES

Table with columns for Commodity, Unit, and Price. Includes items like Tin, Copper, Lead, Zinc, and various oils.

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Bangladesh jute hit by floods

DHAKA—Prospects for Bangladesh's jute industry are bleak this year because of heavy flood damage since May.

Mr A. J. Ministry official said more than 500,000 bales of 181 kg each had been lost and Bangladesh might not reach its 5.2m bale production target.

Bangladesh jute prices were stable this week but traders predicted a rise as supplies tightened. Reuter

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AMERICAN MARKETS

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CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

FINANCIAL FUTURES

Dollar falls in volatile trade

The dollar was weak for most of yesterday in volatile and nervous trading. A surprising fall in U.S. retail sales announced Tuesday depressed the currency in early European trading, and although there were one or two attempts to push the dollar higher it continued to fall in New York after the London close.

STERLING — Trading range against the dollar in 1984 is 1.845 to 1.920. July average 1.871. Trade-weighted index 1.877, unchanged from noon, against 78.3 at the opening and the previous close, and 5.6 six months ago.

2.8473. Trade weighted index 123.6 against 128.3 six months ago. The dollar fell to DM 2.877 against the D-mark at yesterday's fixing in Frankfurt, down from DM 2.881 on Tuesday. There was no intervention by the Bundesbank at the fixing. The fixing level reflected an improvement from the opening level of DM 2.870, however, as the market adjusted positions after the dollar's fall on disappointing U.S. retail sales in July. A rise of 0.9 per cent in U.S. industrial production was in line with market expectations but still served to push the dollar firmer.

On Bank of England figures the dollar's trade-weighted index rose to 136.6 from 136.4.

Nervous trading

Prices were mostly lower in the London International Financial Futures Exchange yesterday in rather nervous trading. The dollar's apparent inability to maintain its recent upward trend to record levels tended to focus market attention on a string of U.S. economic indicators, in order to establish a clear dollar pattern.

Tuesday's lower than expected U.S. retail sales encouraged a further trend while yesterday's rise in industrial production came at the upper end of market estimates and pushed values lower on the much repeated fear of tighter monetary policy should the U.S. economy show consistent signs of over heating. Against this background there appeared to be little incentive to move in either direction although there was probably a majority in the market looking for a halt however temporary to the rise in the dollar and U.S. interest rates.

EMS EUROPEAN CURRENCY UNIT RATES table with columns for currency, rate, and change.

CURRENCY MOVEMENTS table with columns for currency, rate, and change.

CURRENCY RATES table with columns for currency, rate, and change.

OTHER CURRENCIES

Table of other currencies including Argentinian Peso, Australian Dollar, Canadian Dollar, etc.

THE POUND SPOT AND FORWARD

Table of pound spot and forward rates for various currencies.

THE DOLLAR SPOT AND FORWARD

Table of dollar spot and forward rates for various currencies.

EXCHANGE CROSS RATES

Table of exchange cross rates for various currencies.

EURO-CURRENCY INTEREST RATES

Table of Euro-currency interest rates for various currencies.

MONEY MARKETS

Interest rates continued to decline on the London money market yesterday amid speculation that the Bank of England would raise the discount rate.

MONEY RATES

Table of money rates for various currencies.

FT LONDON INTERBANK FIXING

Table of FT London interbank fixing rates.

DISCOUNT FINANCE DEPOSIT AND BILL RATES

Table of discount finance deposit and bill rates.

MONEY RATES

Table of money rates for various currencies.

NEW YORK (Lunchtime)

Table of New York lunchtime money rates.

TREASURY BILLS

Table of Treasury bills for various maturities.

TREASURY BONDS

Table of Treasury bonds for various maturities.

STERLING 25.00 \$ per £

Table of Sterling 25.00 \$ per £ rates.

DEUTSCHE MARKS

Table of Deutsche Marks rates.

SWISS FRANC

Table of Swiss Franc rates.

JAPANESE YEN

Table of Japanese Yen rates.

Forward Trust DEPOSIT RATES

Depositors are advised that with effect from August 17th 1984 the following rates will apply to deposit accounts with Forward Trust Limited.

Table of Forward Trust deposit rates for various terms.

Company Notices

US\$125,000,000 Hydro Quebec 9% Debentures Series DE due 1st August 1977/92

Legal Notices

NOTICE IS HEREBY GIVEN that pursuant to the Special Resolution of the Company passed by its members on the 15th day of August 1984...

Clubs

HARRISON'S NIGHTCLUB RESTAURANT, 42 Grosvenor Street, London W1A 3AB

BUSINESS LAW

EEC lifts its prohibition on patent licensing agreements

By A. H. HERMANN, Legal Correspondent

TODAY is a great day for Mr Harmut Johannes, head of the property rights division in the competition department of the EEC Commission.

Ever since the UK patenting Community patent licensing applications have formed the bulk of the competition department's unfinished and unmanageable business. At the end of 1983, out of a stockpile of 3,854 notifications 62 per cent concerned patent licensing agreements.

AN EEC PATENT LICENSING AGREEMENT BETWEEN TWO PARTIES

YOU MAY exclude the licensee and licensor from each other's territory for the life of the patent; prohibit the licensee from manufacturing or otherwise exploiting the product...

It was never able to haul the fish out of the water

exemption applies to licence agreements which provide the licensee with a degree of territorial protection.



AUGUST 16, 1984

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

£100,000,000 LOAN STOCK 2003 FURTHER ISSUE of the 11 1/2% LOAN STOCK 2003

The Issue Yield (as defined by, and calculated in accordance with the terms of, the Advertisement published on August 14, 1984) in respect of the further issue is 11.61 per cent.

The application list will open at 10.00 a.m. today, Thursday, August 16, 1984 and will close later the same day.

Baring Brothers & Co., Limited on behalf of

International Bank for Reconstruction and Development



SCANDINAVIAN AIRLINES SYSTEM DENMARK NORWAY SWEDEN

\$47,900,000/£32,400,000

Long-dated Forward Exchange Agreement due December 1993

provided by

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

arranged by

MORGAN GUARANTY LTD

June 14, 1984

CAPITAL MARKETS

World Bank issues DM 300m Eurobond in firmer market

BY PETER MONTAGNON IN LONDON

THE WORLD BANK launched a DM 300m, 10-year bond in West Germany yesterday, the first deal of the DM 900m new issue calendar agreed last week for the period ending September 11.

Deutsche Bank, which is leading the issue priced it at par with a coupon of 8 1/2 per cent, and it was reported to have been moderately well received in a slightly firmer market.

This is the World Bank's second international bond issue this week. Yesterday its £100m, 11 1/2 per cent bond was priced at 98.181 to give a yield of 11.81 per cent.

The bond is a second tranche of the World Bank's earlier 11 1/2 per cent bond launched in April and the two issues will be fused in April next year.

Trading of dollar Eurobonds was very thin yesterday with many continental centres closed for a public holiday. Adding to the uncertainty was a press conference scheduled for today by Mr Donald Regan, U.S. Treasury Secretary, at which he will announce new policies on the sale of Treasury bonds to foreigners.

Daiwa Securities (Europe) had an active day, however, launching a \$30m five year, 13 per cent issue at 100 1/2 per cent for Orient Leasing. Co-leads are Citicorp and Taiyo Kobe (Luxembourg). Today Daiwa and Morgan Guaranty are to launch a \$250m, zero coupon bond for Swedish Export Credit. The ten-year bonds are priced at 32.95

Table with columns: August 15, Previous, High, Low, 100,000

which together with the fees of 1 1/2 per cent gives an all-in yield of 12.18.

In Switzerland, Credit Suisse launched a SwFr 100m, six-year private placement for Escom, the Electric Supply Commission of South Africa. The notes bear a coupon of 6 1/2 per cent and issue price is 99 1/2.

Crestates, the parent company of Philadelphia National Bank, is raising \$75m in the Euromarkets through a note issuance facility led by Morgan Guaranty and Unio Bank of Switzerland.

The five-year facility involves the continuous sale of three and six-month notes through a tender panel of banks and investment houses which will place them in the market. If the panel declines to take up the notes they will be passed on to underwriters either as notes or in the form of a bank advance.

Terms of the back-up advance will include a margin of 10 basis points above the London interbank offered rate for Eurodollars. There will also be a facility fee of 1/4 points. Lead managers are seeking underwriters to join the deal with amounts of \$8m and \$4m for front end fees of 15 and 12 1/2 basis points respectively.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for August 15.

Table of international bond issues with columns: Issue, Issued, Bid, Offer, Day, Week, Yield, Change on week

Table of international bond issues with columns: Issue, Issued, Bid, Offer, Day, Week, Yield, Change on week

OVER-THE-COUNTER

Table of over-the-counter securities with columns: Stock, Sales, High, Low, Last, Day, Change

Continued from Page 22

Table of over-the-counter securities with columns: Stock, Sales, High, Low, Last, Day, Change

All of these securities having been sold, this announcement appears as a matter of record only.

New Issue / August, 1984

\$75,000,000

Barclays American Corporation

Extendible Notes due August 1, 1999

The interest rate on the Extendible Notes may be adjusted by Barclays American Corporation as of August 1, 1987 and as of each Subsequent Election Date to a rate not less than 101% of the "Applicable Treasury Rate" or the "Alternate Treasury Rate".

Salomon Brothers Inc

One New York Plaza, New York, New York 10004 Atlanta, Boston, Chicago, Dallas, London (affiliate) Los Angeles, San Francisco, Tokyo (affiliate) Member of Major Securities and Commodities Exchanges.

Citicorp Overseas Finance Corporation N.V.

Unconditionally guaranteed by CITICORP

Notice is hereby given that the Rate of Interest has been fixed at 10 1/2% and that the interest payable on the relevant Interest Payment Date, November 15, 1984 against Coupon No. 3 in respect of £50,000 nominal of the Notes will be £1,311.82 and in respect of £5,000 nominal of the Notes will be £131.18.

August 16, 1984, London By: Citibank, N.A. (CSSI Dept), Agent Bank CITIBANK

U.S. \$150,000,000 Guaranteed Floating Rate Notes due 1992

SANWA INTERNATIONAL FINANCE LIMITED

Guaranteed as to payment of Principal and Interest by THE SANWA BANK LIMITED

Notice is hereby given that the Rate of Interest has been fixed at 12 1/2% and that the interest payable on the relevant Interest Payment Date, February 19, 1985, against Coupon No. 2 in respect of US\$10,000 nominal of the Notes will be US\$636.32.

August 16, 1984, London By: Citibank, N.A. (CSSI Dept), Agent Bank CITIBANK

NOTICE OF PREPAYMENT

The Sumitomo Bank, Limited (Incorporated with Limited Liability in Japan)

U.S. \$15,000,000 Callable Negotiable Floating Rate Dollar Certificates of Deposit

No. SB 260001 - 260030 issued on 15th Sept., 1982. Maturity 18th Sept., 1985. Callable in Sept., 1984.

Notice is hereby given that in accordance with Clause 3 of the Certificates of Deposit ("the Certificates") the Sumitomo Bank Limited ("the Bank") will prepay all Outstanding Certificates on 17th September, 1984 ("the Prepayment Date") at their principal amount.

Temple Court, 11 Queen Victoria Street, London EC4N 4TA.

Standard Chartered

Standard Chartered Bank PLC (Incorporated with limited liability in England)

U.S. \$100,000,000 Floating Rate Capital Notes 1990

For the six months from 16th August, 1984 to 16th February, 1985 the notes will carry an interest rate of 12 1/2% per annum. On 16th February, 1985, interest of U.S.\$64.93 will be due per U.S.\$1,000 note for coupon No. 13.

Principal Paying Agent European-American Bank & Trust Company 10 Henvener Square New York, N.Y. 10016

Agent Bank: Morgan Guaranty Trust Company of New York